

Demonstrators holding up an Albanian flag Monday as thousands of ethnic Albanians protested in Pristina.

UN Sets Ground Rules in Iraq

Searches of Presidential Sites, Once Off-Limits, to Begin in 2 Weeks

By Barbara Crossette New York Times Service

UNITED NATIONS, New York -Arms inspections of eight Iraqi presidenial properties that were formerly off-lims will begin in about two weeks, senior Inited Nations officials said Monday.

But the first visits, with diplomats eccompanying UN inspectors under an greement between President Saddam Jussein of Iraq and the UN secretary-general. Kofi Annan, will merely esablish the right of access and not be ntensive investigations of the sites, the officials acknowledged.

Iraq will have had months to prepare

these sites, and officials admit that any at least be seen to be abiding by the rules

element of surprise, which inspectors have always tried to employ, will be after months of obstructions. If the pattern continues,

The focus has already shifted to other inspections now being carried out in Baghdad by the American specialist in concealment, Scott Ritter, and a team of 50 arms experts, who over the last few days have been able to visit eight other areas that Iraqi had labeled "sensitive." In agreeing to orderly if largely pro forma visits to presidential areas and in allowing Mr. Ritter - whom Iraqis have excoriated and tried to ban in the Mr. Saddam appears to be gambling that under his agreement with Mr. Annan he will be rewarded if he can

If the pattern continues, it will be much more difficult for the Clinton administration to prolong sanctions indefinitely or find any backing for a military attack on Iraq if new problems arise. Mr. Annan has joined a number of Security Council members during the last week in saying that Washington did not win the automatic right to use force, as it has insisted, in a resolution passed last week endorsing Mr. Annan's Iraqi mission.

After years of threatening to keep a total embargo on Iraq in place until Mr. Saddam is gone, the United States may soon find itself having to live with only

See IRAQ, Page 10

West Raises Heat on Serbs

Albright Satisfied With Sanction Accord, for Now

By Steven Erlanger

LONDON - The United States and its Western allies imposed modest diplomatic and economic sanctions on President Slobodan Milosevic on Monday for his "unacceptable use of force" by Serbs against the ethnic Albanian majority in the southern province of

The U.S. secretary of state, Madeleine Albright, said that the decision, after a captious four-hour emergency meeting of the Contact Group that monitors the ormer Yugoslavia, was "satisfactory.

But Mrs. Albright added: "We are obviously going to keep our eye on the ball and make sure that this

Survivors of attack tell of 'executions.' Page 6.

agreement sticks. If we don't get the kind of result we want, we need to remember that the only kind of pressure President Milosevic understands is the kind that nposes a real price on his unacceptable behavior." Even the sanctions imposed Monday were difficult to achieve within the Contact Group, which comprises

Italy and France began the day wishing only to threaten Mr. Milosevic now and take action, if necessary, later, and Russia ended the day by dissociating

the United States, Britain, Russia, France, Italy and

itself from the only sanctions that will have much bite in Belgrade. The group did agree, in the end, to push for a comprehensive arms embargo against Serbia in the United Na-tions Security Council, to stop supply-ing equipment that could be used for internal repression or terrorism, to deny visas to those responsible for repression

in Kosovo and to halt government-fi-

nanced export credits for trade and in-

privatizations of national companies, which U.S. officials say Mr. Milosevic uses to fund his regime.

But even after a long telephone call by the foreign ministers of the United States, Britain and Germany to their Russian counterpart, Yevgeni Primakov. Moscow was only willing to agree to the first two, which are the least painful of the four that Western countries finally imposed. Mr. Primakov did agree to consider the other two sanc-

See KOSOVO, Page 6



Foreign Secretary Robin Cook of Britain, with Madeleine Albright, addressing the meeting on Kosovo on Monday.

Jakarta Markets Fall As Suharto Stays Put

estment. The last sanction includes funding for Duel With IMF Spurs Declines Across Asia

By Cindy Shiner

JAKARTA - President Suharto is set to be appointed Tuesday to a seventh five-year term with expanded powers. despite mounting calls for new lead-ership and a deepening economic crisis across Indonesia.

On Monday, as Indonesian officials tried to cool off a dispute with the In-ternational Monetar. Fund that has led the organization to delay providing fresh rescue funds, the rupiah took another steep tunible, and the stock market fell 3.2 percent. The rupiah has lost 80 percent of its value since the economic

crisis erupted in July.

The text of the "special powers" decree has not been made public, but political analysts say it most likely draws on a similar measure stemming from the turbulent 1960s that was shelved a few years ago.

Indonesia, the world's fourth most populous country, with 200 million people, is suffering its worst economic and political crisis in three decades.

Students have protested at universities in a number of cities over the past week, demanding price cuts and political reform. Local newspapers reported that six students had been arrested on Sunday. Security forces have largely held back despite a government ban on demonstrations and large gatherings during the election.

The country's newly appointed armed forces chief has signaled he will be tough on protesters. Demonstrations against high prices turned into riots in several cities last month.

"If people are hot-tempered and ready to cut down the symbols of the state, yes, I will gladly prohibit them. Reuters quoted General Wiranto as haring told a local magazine. "If they are still determined, I will be determined. The difference is they are breaking the law, I am protecting the law.

There has been speculation that the new special powers decree would allow Mr. Suharto to take a harder line against his opponents in the name of preserving national unity during the current turmoil. But reformers are cynical.

'I don't see the need of it because he has special powers already," one in-donesian political analyst said. "Reform is impossible. I always thought the older the government gets the more inflexible it gets. I find it all depressing to see it. There's more signs of it turning into a dinosaur.

Some analysts say the decree could allow President Suharto, 76, to override

See SUHARTO, Page 6

Kohl Pounces, Calling Greens 'Security Risk' to Nation

By William Drozdiak Washington Post Service

BERLIN - Chancellor Helmut Kohl delivered a harsh warning Monday about the perils of turning power over to a coalition of Social Democrats and Greens, saying such a radical transition after this September's national elections in Germany would pose a major security threat to Europe's pivotal nation.

In a harbinger of his campaign strategy to win an unprecedented fifth term in office, Mr. Kohl argued that a government run by Social Democrats and Greens would endanger the basic institutions that support the country's stability and prosperity.

"The Greens party platform represents a major security risk for Germany," Mr. Kohl said. "They want nominated last week after leading his party to a to disband NATO. They want to drastically reduce the size of the German Army, and they want to prevent the army's participating in United Nations-backed actions such as the peacekeeping efforts in Bosnia."

Mr. Kohl's declaration, in a statement issued by the

campaign headquarters of his Christian Democratic Union, followed a Greens party congress over the weekend that reaffirmed such policies as abolishing the North Atlantic Treaty Organization and raising gasoline prices to \$12 a gallon through higher taxes at the pump to pay for social security.

Mr. Kohl lags badly in opinion polls behind his

nominated last week after leading his party to a resounding victory in Lower Saxony state elections. The vote was seen as a personal rebuff to Mr. Kohl, who had campaigned extensively on behalf of his

Mr. Schroeder hopes to capitalize on his telegenic looks and pro-business image to broader his party's leftist base and attract centrist voters who have grown tired of Mr. Kohl after his 16 years in power.

But Mr. Kohl, who dismissed suggestions last week that he step down in favor of his anointed successor,

See GERMANY, Page 10

AGENDA

Pentagon Faults Aerospace Takeover

Page 9.

Page 6.

Pages 8-9.

Pages 26-27.

New York	Monday 6 4 P.M.	buenions ciosa
DM	1.8269	1.8334
Pound	1.6388	1,6345
Yen	127.80	127.825
FF	6.1265	6.148
	The Dow	
	Monday close	previous close
-2.25	8567.14	8569.39
	S&P 500	
change	Monday @ 4 P.M.	previous close
-3.39	1052.30	1055.69

While productivity may be an Amer-PAGE TWO ican national goal, conflicting pressures are getting in the way, pushing compa-nies to add thousands of hours of labor The Undersea Fiber-Optic Future INTERNATIONAL

BADEN WURTTENBERG

U.S. Offers Russia a Deal on Iran

demanding and flighty customers.

The effect is a frantically busy economy - call it the Treadmill Economy that has been creating more than 300,000 new jobs a month. It is an economy that adds workers rather than operating more efficiently. And while that keeps unemployment low and of-

as they fight to hang onto increasingly

in anger and jump to a competitor.

"Our new directory assistance service has less to do with traditional no-

tions of productivity than it does with using a personalized service to create a

competitive advantage," said Howard

McNally, AT&T's vice president for

consumer product management. The AT&T story is showing up in

various guises at many companies.

See JOBS, Page 16

The Pentagon said Monday that it had "serious concerns" about the effect on competition of Lockheed Martin Corp.'s proposed \$12 billion acquisition of Northrop Corp., adding to

Justice Department objections. A spokesman said the Defense Department had been reviewing the deal, which would reduce to three the field of major U.S. defense companies.

Both companies shares fell after they quoted Justice as saying it "fundamentally opposed" the deal and might sue if Lockheed does not divest ssets it wants to retain. Page 13.

U.K. Won't Extradite IRA Bomb Suspect

LONDON (Renters) — Britain said Monday it had decided not to extradite a Northern Irish woman wanted in Germany for an IRA bombing because she was too ill. Roisin McAliskey, 26, was arrested in 1996 and gave birth to a daughter while in prison in London. The daughter of Bernadette Devlin, she has been held in a psychiatric hospital since May.

'60s-Style Campus Protesters

Students at Key School Rally Against Suharto

By Thomas Fuller International Herald Tribune

BANDUNG, Indonesia — Every day last week, hundreds of students of an elite university here assembled on an outdoor basketball court and demanded that the man who has ruled their country for more than 30 years step down.

Their protests were echoed on about 20 campuses across the country, but at the Bandung Institute of Technology the protests had particular resonance. Not only was Indonesia's first president, Sukarno, educated here, but protests in the mid-1960s at the university helped lead to his being forced from office and replaced by President Suharto.
These days, the 1960s have returned

to Bandung. Leaning against campus stone walls are a gaggle of guitar-playing students dressed in faded blue jeans and grubby T-shirts. Their look is retro down to the scooters they ride: 1970s Vespas. Their hair is long, and their message is the same: The system must change.

"All our lives we have known only one president," said Andri, a 21-yearold physics student who offered only his first name. "Indonesia has already given him 32 years to change."

Student leaders in Bandung and elsewhere say they will stage their largest demonstrations Tuesday and Wednes-day, the closing days of the People's Consultative Assembly, the 1,000member body meeting to select a president and vice president for a five-year term. Mr. Suharto is running unopposed for his seventh term.

Student protests throughout the country continued Monday as Mr. Suharto was granted special powers to combat social unrest. So far, only students have taken part, and the government has lim-

ited itself to monitoring the protests. Students in Bandung said the People's Consultative Assembly, whose members are handpicked by the government, is hardly consultative and not representative of the people.



President Suharto, seen last week, who is to win a new term Tuesday.

"This country is run by one family." said a student named Khalid, getting nods of approval from friends gathered in front of the student center. "All the sons and daughters of the president are on the legislative board," he said, (In fact, of Mr. Suharto's six children, four are members of the People's Consultative Assembly.)

During the current economic crisis, students have provided one of the few voices of organized dissent in Indone-sia. The universities are not linked by an official national organization, but students said they kept in contact with each

other, sometimes through the Internet. The government has clamped down on protests taking place outside campuses. At least four people were arrested Monday in Jakarta in a small protest against steep prices and labor conditions.

But protests on campuses have, for now, remained largely undisturbed, ai-

See STUDENTS, Page 6

Phone Ms. Singh to Ask Why Productivity Lags

Cherished U.S. Goal Is a Victim of Market Forces with customers, so they won't hang up By Louis Uchitelle

New York Times Service

SCRANTON, Pennsylvania - The caller insisted that a telephone number must exist for the Kimberly-Clark Corp. in Voorhees, New Jersey. He had called there once, and now he demanded that Sandra Singh find the number. His voice rose in anger when she said that only one New Jersey listing for Kimberly-Clark popped up on her computer screen — in the town of Spotswood, not Voorhees. "Perhaps they moved," Ms. Singh offered, sympathetically. Only gradu-

ally did he give in, finally accepting the Spotswood number she proferred so The call had lasted three minutes, an eternity in the world of telephone directory assistance, with its bent toward electronic voices and 10-second automated responses. But in corporate America, where the talk everywhere is of greater productivity — producing more, faster, without adding human labor — the AT&T Corp. has gone in the opposite direction, adding dozens of

directory-assistance operators like Ms.

Singh, who works at a new operator center here. She is trained to be patient Newsstand Prices ...1.000 BD Matta.C £ 1.00 Nigeria12600 Naira14.00 DKr Oman1.250 OR Finland 12.00 FM Qafar 10.00 OR _£ 0.85 Rep. ireland...iR £ 1.00 Great Britain £ 0.90 Saudi Arabia ... 10 SR Egypt £ 5.50 S. Africa R12 + VAT 1.250 JD U.A.E........ 10.00 Dh K. SH. 160 U.S. Mal (Eur.)\$ 1.20



Unlikely Emigrés Seek Fortune in Britain Young French Flock Across the Channel for Jobs Lacking at Home

By Warren Hoge

ASHFORD, England — Parisians who shrug in Gallic disdain at the parochial contentedness of life in England could have Ashford in mind. By day, the streets of this tidy market town are filled with shoppers in their patterned flat caps going about their chores at a measured gait. By night the place falls into

Yet flocks of young men and women

are deserting the boulevards of the City of Light to come live and work across the English Channel among the oncedisparaged rosbifs. This town of 55,000 people amid the sheep meadows and hop gardens of southeastern England has become their unlikely destination. Their business is business, and they

find they can do it in Britain far more profitably than in France, where taxes are higher and tape is redder. So many young French men and women have gone to London in search

of entry-level jobs unavailable in Paris that even in the fusty redoubts of British culture like the clubs along Pall Mall and the "olde England" chops-and-ale restaurants in the West End, the waiter or waitress is likely to be French. These migrations are occurring against

the backdrop of a contest between France and Britain for the economic soul of Europe. The French insist that their social policies, while costly, protect citizens

See MIGRATE, Page 10

PAGE TWO

Under the Sea / Spooling Out Fiber Optics

A Wealth of Data on Ocean Floors

By Mike Mills Washington Post Service

ASHINGTON — At the water's edge of Baltimore Harbor, two freshly painted gray ships await their next mission. Schooners moored here during the American Revolution, as did barges of the Industrial Age. But these are the workhorses of the Information Revolution: They are wiring the world to meet the explosive and seemingly limitless demand for Internet, voice and video services, which are projected to be a \$1 trillion-a-year global market by 2000.

a \$1 trillion-a-year global market by 2000.

Docked at a gleaming depot that stands out amid the rusty warehouses of the harbor, the C. S. Global Link and its companion the C. S. Global Mariner are among the most technically advanced vessels in the business of laying undersea fiber-optic communications cables. They are part of a worldwide fleet, purchased last year from AT&T Corp. by Tyco International Ltd., that has installed more transoceanic fiber than any other company.

Most of the world's telephone and Internet traffic courses through these hair-thin capillaries of glass, which stretch from one continent to another along the ocean floor. In constant pulses of light, coded in the computer language of ones and zeros, they flash millions of phone calls, electronic mail messages, video clips and World Wide Web pages at

Undersea fiber-optic cables have become one of the most crucial components of today's communications-based global economy, despite mid-1960s predictions that satellites would render earthbound long-distance communications obsolete.

"Most people really do not have a grasp of the amount of telephone cables that are undersea, and that their calls actually go through them," said Rob Jones, captain of the C. S. Global Link.

There are 228,958 miles (368,472 kilometers) of fiberoptic cable on the floors of the world's seas, enough to encircle Earth almost 10 times, according to KMI Corp. of Rhode Island. Another 177,717 miles of cable are planned for installation worldwide by the end of 1999, KMI es-

That figure does not count the most ambitious program, Project Oxygen, which backers describe as a \$14 billion "Super Internet" that would pay out 198,844 miles of mainly undersea fiber-optic cable touching 175 countries. Oxygen already has the backing of 30 international telecommunications providers and is scheduled for completion

Project Oxygen is "the most ambitious project of communications in the 20th century," said President John Kessler of KMI. "The Internet is a major driver for the expansion. The second driver is the need for video trans-

Mr. Kessler compares the emergence of fiber optics to such past technical breakthroughs as inexpensive and abundant paper and clean water.

Because of cheap paper, we now have all kinds of developments you would not have thought possible," from paperback books and newsprint to electronic copying machines, he said. "The same thing is going to be true of electronic communications.'

Global deregulation of telecommunications markets also is playing a key role in the subsea fiber boom. No longer does "the club" of state-run phone monopolies and other giants, including AT&T and Cable & Wireless PLC, control big undersea cable projects.

Phone companies abroad are rapidly going private and governments are opening their markets to competition. Chinese officials, for example, deftly played 14 competitors off each other in bids to build the first link between China and the United States — and then ultimately told them all to share the \$1 billion contract.

More than 30 companies late last month announced that Tyco would help build them a new \$375 million, 5,000-mile cable linking the United States with the Caribbean and South America.

Phrases such as "quantum leap" and "orders of mag-nitude" frequently come up in discussions about advances in undersea fiber optics. In 1988, when glass fibers began to replace copper cables in telecommunications, people stopped talking in terms of hundreds of simultaneous phone calls per cable and started talking about tens of thou-

Further improvements have moved the decimal place several times since. Scientists at such companies as Ciena Corp. of Maryland have more than quadrupled fiber-cable capacity by using lasers to split light into colors, sending data through each path in a process called "wave division

multiplexing. The upshot: Atlantic Crossing, the newest trans-Atlantic cable, can handle 2.4 million voice conversations at one time — or hundreds of thousands of compressed video images. The China-U.S. project will handle 4 million calls

UCENT TECHNOLOGIES Inc. unveiled the latest breakthrough early last month: The ability to transmit as many as 10 million calls over a single fiber by dividing the strand into 80 separate wavelengths of light instead of 16. Lucent says the cable's 400-gigabit (billions of computer instructions per second) speed is enough to carry the world's Internet traffic at any given time on one fiber. One voice phone call requires 64,000 bits.

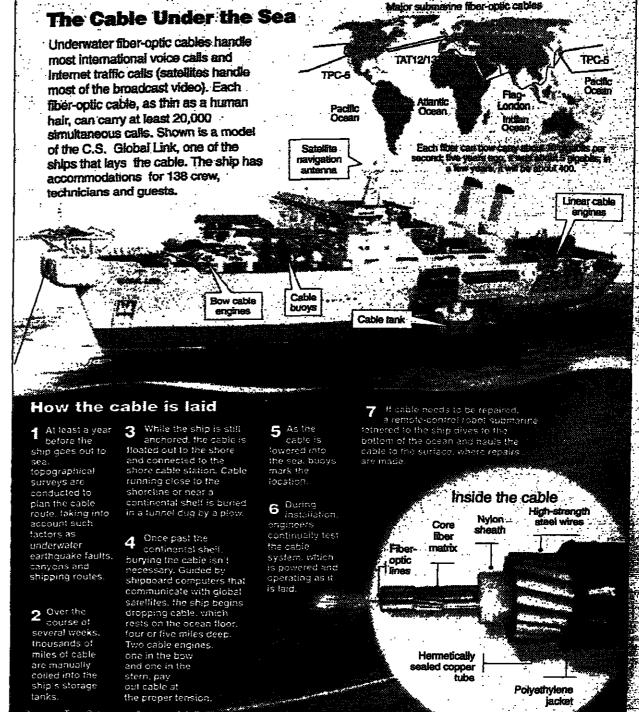
Researchers also have found a way to avoid the need for "repeaters" that amplify fading light signals every few hundred miles or so. Repeaters slow down the information flow by converting light energy into electrical energy, then back into light again. Instead, lasers now can be used on either shore to 'pump up' the signal along its way at specific points along the cable that are injected with the chemical element erbium.

Is there any limit to the capacity increases possible? "Absolutely not," said Neil Tagare, Project Oxygen's founder and an undersea fiber veteran. "Once the repeaters go away, there is no end in sight. Even though Oxygen right now looks huge in terms of bandwidth, it's going to be a baby in five years' time. All you do is change the electronics at the shore and, boom, you have as much capacity as you

At the same time, the cost of fiber is plummeting. Each voice circuit in a pre-fiber trans-Atlantic cable in 1987 cost about \$40,000 annually to build and maintain, Mr. Kessler said. Today, he said, the cost has dropped to roughly \$100 to \$200 per circuit.

The plunging costs, combined with deregulation and competition in phone markets, have made distance meaningless in communications — and the price of calls.

Satellite companies have responded with their own technological advances. A new generation of satellites fly lower, to ease the old problem of call echo and to allow for smaller, more powerful satellite dish antennas. They can reach anywhere inland where fiber optics become more expensive to install.



"I don't think terrestrial fiber will take business away from satellites," said Steven Dorfman, senior vice president of Hughes Electronics Corp., a leading satellite com-

pany. "You still have to get to the business customer."

Aboard the C. S. Global Link, Captain Jones remains very busy. The ship returned to Baltimore in late June from the Arabian Sea and Indian Ocean, after dropping 2,000 miles of cable from Bombay to Malaysia as part of another major project, called Fiber Link Around the Globe. Before Bombay, it helped to lay Atlantic Crossing, covering 3,557 miles of fiber-optic cables at an average speed of 6 knots

It takes less than two months to install a trans-Arlantic cable. Ships use computers that are programmed to follow a specific route using global positioning satellite navigation.

systems. The routes are chosen after exhaustive undersea topographical surveys that consider such factors as underwater earthquake faults, canyons and shipping and fishing routes. But the job still involves a highly skilled, yet relatively low-paid, crew.

Captain Jones is on call to repair breaks in cables beneath the Atlantic. On the continental shelf, a break usually is caused by a trawler's anchor that snaps a cable.

'In deeper water, it can be anything from a subsurface earthquake in the mid-Atlantic ridge or just that the cable had settled on a bad spot and is worn down," he said. C. S. Global Link and similar ships will be fully employed for years to come, Captain Jones said, as the world's

land masses continue to connect along strands of glass.

"It's going to get kind of crowded down there," he said.

OF THE PARTY.

lobac

Recor

TW Y

ACTES I

7. 53000

and the contract of

The second particular to the second particular

The second participation of th

inc by j

· - 13922 300

COST CAMPBE in the few t are an animble

"Monal com

inducer with

िल जातीसा

Despute d

Little Man TESANDA A

Chacco seid

Citemelye

BECAU

a fatai

tanying more

in mail

MO. W

È,

Zimbabwe Police Battle Student Demonstrators

HARARE, Zimbabwe - Zimbabwean paramilitary policemen clubbed hundreds of students in central Harare on Monday to break up a demonstration backing demands for higher education grants, according to witnesses.

They said that about 100 policemen

armed with shotguns, shields and riot sticks charged into a crowd of about 400 students outside the headquarters of the Ministry of Higher Education, beating and dispersing them. Some students were reported to have been injured.

The police also deployed heavily armed units at three Harare colleges, including the main University of Zimbabwe, where most of the students came from, to stop further protests.

State media reported that students in

THE INTERMARKET

On Internet

Classified ads placed in the

International Herald Tribune

can now be seen on the IHT web site.

http://www.iht.com

A great deal happens at The Intermarket

THE WORLD'S DALLY NEWSPAPER

Gweru, 290 kilometers (180 miles) southwest of Harare, had joined the protest but there were no reports of violence.

Students across the country are demanding that the cash-strapped government increase their grants by 253 per-

They have been boycotting classes for a week to press their demand, which the government says it cannot meet.

The students warned the government that they would take their grievances into the streets in a series of protests strike by unions. named "Good Morning Mugabe," after President Robert Mugabe

The demonstration Monday was the latest evidence of the social and economic crisis facing Mr. Mugabe, whose government has been battered by a wave cusation and said the stoppage was heavof violent protests in recent months over

taxes and food prices. In January, the 74year-old president was forced to deploy troops and armored cars to crush food riots that left at least six persons dead.

Many political analysts said they saw the riots as the biggest challenge to face the former guerrilla leader since he as-sumed power in 1980 when the southern African state became independent.

Mr. Mugabe, who says he will not quit over the crisis, deployed the police last week to try to prevent a two-day antitax

He asserted that it was part of a campaign hatched by whites to topple him over his plans to resettle black peasants

on mostly white-owned farmland. Whites and the unions denied the ac-

Public Exhibition

Sotheby's France

Galerie Charpentier 76, Faubourg Saint-Honoré

Marquis de Breteuil Coli

from Tuesday March 10 to Sunday March 15, 1998

from 10 a.m. to 6 p.m.

ily backed by workers.

Exhibition at the

Trésors des Collections Privées

Furniture Masterpieces

TRAVEL UPDATE

DUBLIN (AP) — Baggage handlers at the Dublin airport confident the facility would open as scheduled July 6. (AP) accepted a settlement to end their strike after six hours of

Strike Ends at Dublin Airport

accepted a settlement to end their strike after six hours of negotiations and intervention by the government.

The baggage handlers, who have been striking or working slowly periodically for seven weeks in a dispute over pay and working conditions, agreed to go back to work while their employer, Ryanair, a cut-rate Irish-owned airline that operates mainly between London's Stansted Airport and Ireland, agreed that nobody would be punished. Ryanair and the union were to hold further talks Monday ere to hold further talks Monday.

Hong Kong airport officials have found a 40-meter crack in the main runway of the new airport, but they remained

The Australian government is considering four bids for the airport in Adelaide city and will announce the successful bidder in about a month, Premier John Olsen of South Australia said Monday.

Commuter lines in Lisbon were the hardest-hit in a oneday strike Monday by rail workers demanding pay in-

WEATHER

Sotheby's Opening Galerie Charpentier

-NS1 -7720 pc -818 -12711 c -4725 -9716 pc -643 -4225 s -7720 -1239 c -4726 -7720 pc -622 -10718 pc -1231 -8716 pc -1231 -8716 pc -1234 -3727 pc

25/77 12/53 s 26/78 11/52 s 31/88 9/48 s 26/79 7/44 s 23/73 6/43 s 34/93 11/62 s 27/80 12/53 s

Africa

Forecast for Wednesday through Friday, as provided by AccuWeather.

North America

Еигоре

Europe
Cold across most of Dry and cool in Belling Europe Wednesday Wednesday and Thursday, but it may rain Friday. Cold cool with rain and possible with rain and snow in wet snow in London and Secul Wednesday, then dry dry and and cool with and chilly with sunshine some sun. Tokyo may Thursday. A bit milder Friday. Soaking rain is in store for southeastern France and half with some heavy snow in the Alps.

One of the few predictable elements of travel.

The Teading Hotels of the World Over 300 of the World's finest hotels in 68 countries.

> **CLARIDGE'S** LONDON, ENGLAND

Your Host Today

A two-month trial subscription. Save up to <u>60</u>%

Try a special, low cost 2-month trial subscription to the International Herald Tribune to enjoy delivery to your home or office every morning AND save up to 60% off

SOTHEBYS

My check is enclosed (payable to the IHT) Charge my: Amex Diners VSA Access MasterCard Eurocard For ex-US and Asian prices, credit cards will be charged in Franch France at current rates.

for business orders, indicate your VAT No:
(BIT VAT Number FR74732021126)

got this copy of the INT at: | kiask | hotel | airline | ather Mail or fax to: International Herald Tribune Mail or fax to: International Herold Tribune
EUROPE, MUDDLE EAST & AFRICA
181 Avs. Charles de Goulle, 925/21 Neurilly Cedex, France
Fax: +33 1 41 43 92 10. Tel: +33 1 41 43 93 61
THE AMERICAS
850 Third Avenue, New York, N.Y. 10022-6275, USA
Fax: +1 212 755 8785, Tel: (folf free) 1-800-882-2884
ASIA
7/F Malaysia Bidg., 50 Gloucester Rd, Wanchai, Hong Kong
Fax: +852 2972 1199, Tel: +852 2972 1171 tht.com – Asia: subshk@inthk.com – int Offer voted for new subscribers only.

Printed by Newsfax International, London. Registered as a newspaper at the post office.

THE AMERICAS

Death of Key 'Insider' Sets Back the Whitewater Inquiry

New York Times Service

WASHINGTON - The death of James Mc-Dongal, whose accounts of business dealings with Bill and Hillary Clinton ultimately led to the sprawling Whitewater investigations that continue to haunt the first family, is a blow to the investigation, according to lawyers involved in

Mr. McDougal, who was 57 but looked 20 years older because of his chronic circulatory problems, died Sunday of cardiac arrest in a medical prison in Fort Worth, Texas, the Justice

Department said. For years, he had denounced the prosecutors and proclaimed his innocence. But after his conviction in 1996 on 18 felony counts stemming from his operation of a corrupt savings and loan, he made a deal for a lighter prison term in exchange for cooperation with the Whitewater investigation.

He became an important witness, was debriefed dozens of times by investigators and made many appearances before a grand jury in Linle Rock, Arkansas.

Mr. McDougal's still-secret testimony will almost certainly be part of the report that must be filed by the Whitewater independent counsel.

important figure who would have been in a McDougal replied: "I don't think so. I think the position to corroborate whatever new evidence Clintons are really sort of like tornadoes moving they might receive from another wimess, former Governor Jim Guy Tucker of Arkansas, who is cooperating with the investigation.

When Mr. McDougal was sentenced last April to a three-year prison term, Kenneth Starr, the Whitewater independent counsel, said that he had "truthfully and substantially aided" investigators, leading to new revelations "which could only be known by a few insiders."

Mr. Starr also emphasized that Mr. McDougal was "at the epicenter" of an investigation that began as an examination of three people: Mr. McDougal and the Clintons, who were his partners in the Whitewater real estate development.

It was ultimately because Mr. Clinton never followed through with a promised job that Mr. McDougal decided to tell The New York Times in 1992 about Whitewater and how he had carried a disproportionate share of losses from the real estate development in northern Arkansas. He also said that Mrs. Clinton had represented his savings association before a state regulator appointed by her husband.

When he was asked in a television interview But with his death, investigators have lost an last year if he had betrayed his old friends, Mr.

Clintons are really sort of like tornadoes moving through people's lives. I'm just one of the people left in the wake of their passing by, but I have no whining or complaining to do, because I have lots

He also said of Mr. Clinton, "I just got sick and tired of lying for the fellow, you know."

Mr. McDougal was an eccentric man who,

during the 1980s, lavishly displayed his wealth in Little Rock, driving a Bentley and wearing suits from Savile Row. But the savings association that he ran, Madison Guaranty Savings & Loan, was later found by examiners to be rife with cor-ruption. After the savings and loan failure, he was

found to be suffering from manic depression. In 1976, Mr. McDougal persuaded Mr. Clinton to invest in a five-acre piece of land near Little Rock, putting \$500 down and paying monthly installments of \$75. Two years later, Mr. Mc-Dougal sold the tract for \$5,000, a 75 percent return on the initial investment of \$2,850.

Delighted with the outcome of that venture, the

Clintons decided to become partners with Mr. McDougal and his wife, Susan, in a new deal, Whitewater, a 230-acre Ozarks land venture at the million from Madison and Mr. Hale's company juncture of Crooked Creek and the White River. in the 1980s.

After Mr. McDougal provided an account of the Whitewater venture to a reporter in 1992. federal regulators reopened their examination of the failure of Madison. In 1993, a criminal referral was made to the Justice Department that named the Clintons as witnesses. The referral helped to create a political crisis that prompted Attorney General Janet Reno to seek the appointment of an independent counsel.

Among the incidents still under review is an allegation by an Arkansas businessman, David Hale, that Mr. Clinton asked him to make an improper federally-backed loan of \$300,000 to Mrs. McDougal.

Investigators have determined that nearly \$50,000 of that money wound up paying White-

Mrs. McDougal and her husband were divorced in 1990. She was convicted in 1996 on four felony counts, and is serving a two-year

Prosecutors had accused the McDougals of a variety of violations involving a complex web of loans intended to loot Madison. The fraudulent transactions included eight loans of more than \$3



James McDougal was at the "epicenter" of the investigation, the prosecutor said.



AU PAIR'S APPEAL - Louise Woodward, the British au pair whose murder conviction in a baby's death was reduced to manslaughter, entering court Monday in Boston, where her attorney asked for a review of medical evidence and for her to be cleared. Prosecutors sought reinstatement of the second-degree murder conviction.

Clinton Secretary, Round 2: A More Crucial Witness

By Peter Baker and Amy Goldstein Washington Post Service

WASHINGTON - Betty Currie returns to the grand jury this week a far more crucial witness than before, now that prosecutors have obtained sworn testimony from President Bill Clinton placing his personal secretary at the center of a series of events involving his relationship with Monica Lewinsky.

Mrs. Currie was the first witness in grand jury proceedings six weeks ago, but since then the independent counsel, Kenneth Starr, has received a copy of Mr. Clinton's Jan. 17 deposition in the Paula Jones case, in which he was asked at length about Ms. Lewinsky and pointed to his secretary as her main point of contact in the White House west wing.

That deposition gives prosecutors a window to compare Mrs. Currie's original testimony with Mr. Clinton's version of events and explore any contradictions. Most significant may be their accounts of whether it was the president or his secretary who initiated a plan to line up high-powered job help for Ms. Lewinsky at a time when Mrs. Jones's lawyers were seeking to question her about an alleged sexual relationship with Mr. Clinton.

During his interrogation by Mrs. Jones's lawyers, Mr. Clinton suggested that Mrs. Currie may have stuck her head in the Oval Office one day late last year to ask if it was all right for her to call Vernon Ms. Lewinsky that she might be called Jordan Jr., a presidential confidant, to to testify in the Jones case, Mr. Clinton Jordan Jr., a presidential confidant, to seek help finding employment in New York for Ms. Lewinsky. If so, Mr. Clin-

ton testified, he would have said fine. Mr. Clinton said he did not remember with certainty whether he gave approval or not. But he insisted he was not the precipitating force for a job search that investigators believe may have been an effort to ensure Ms. Lewinsky's silence.

Mr. Jordan, who testified for two days before the grand jury last week, has said it was Mrs. Currie who made the call to him about Ms. Lewinsky. But Mr. Jordan told reporters that he had kept the president informed about his help for the former White House intern, and his lawyer has said that Mr. Jordan inferred that Mr. Clinton was behind Mrs. Currie's call.

While it has been clear from the start that Mrs. Currie has been central to the Lewinsky investigation, never was that clearer than in Mr. Clinton's deposition, a detailed account of which was reported last week in The Washington Post.

At virtually every important point in Mr. Clinton's testimony about Ms. Lewinsky, according to the account, Mrs. Currie was drawn into the picture. His secretary, he testified, basically had adopted the younger woman.

Mrs. Currie was generally present whenever Ms. Lewinsky stopped by the Oval Office, the president testified. She was there, for example, when he warned

As the president told it, Ms. Lewinsky's visit to the White House in late December was to see Mrs. Currie, Mr. Clinton remembered it taking place a few days before the Christmas holiday. while White House logs reportedly show that Ms. Lewinsky came by on Sunday, Dec. 28.

The president told Mrs. Jones's lawyers that while Ms. Lewinsky was visiting with Mrs. Currie outside the Oval Office, he stuck out his head and said

Other sources have said since the deposition that Mr. Clinton and Ms. Lewinsky were the ones who met Dec. 28 and that they apparently were

Mrs. Currie brought Mr. Clinton personal messages from Ms. Lewinsky after she left for a Pentagon job in April

1996, the president acknowledged. Mr. Clinton testified that they included a Christmas card, a birthday card and notes with small talk. Asked why Mrs. Currie was listed as the recipient, Mr. Clinton said that was a common practice with friends who wanted to make sure their correspondence actually got through.

Mr. Clinton was also asked several specific questions about Mrs. Currie's schedule and whether she cleared Ms. Lewinsky to visit the White House after team.

the young woman left her job there.

Mr. Clinton testified that he was ware that Mrs. Currie helped arrange a job interview for Ms. Lewinsky with Ambassador Bill Richardson at the United Nations, although he said he was not sure whether she was ever offered. employment.

The extent to which Mrs. Currie was a player in Mr. Clinton's testimony may: help explain his actions after the deposition. After returning to the White House that Saturday evening, Mr. Clinton canceled plans to go out for dinner; and called Mrs. Currie at home to ask that she come into work the next day to, confer about Ms. Lewinsky.

On that Sunday, Mrs. Currie has told investigators, Mr. Clinton asked her a. series of questions comparing his testi-mony with her recollection of his contacts with Ms. Lewinsky.

At one point, he told Mrs. Currie that she was always in earshot when Ms. Lewinsky was around, according to a; source familiar with Mrs. Currie's ac-

She agreed at the time, although she! later told investigators that in fact she sometimes was not in the same room.

While Mrs. Currie's testimony is critical, she remains publicly loyal to Mr. Clinton. She and her lawyer, Lawrence; Wechsler, are participating in a joint defense agreement in which they share information with the president's legal;

Away From

•The Supreme Court let Syracuse, New York, con ge to sponsor the annual display of a Christmas Nativity scene in a public park. The court, without comment. turned away a woman's argument that the display amounts to government endorsement of religion. (AP)

 A veteran armed with a rifle and what he said were explosives who crashed his car through a gate at a Veterans Affairs office in Waco, Texas, surrendered after holding off the police for 14 lours. The veteran, Jason eigh, 48, was upset over problems with his benefits, the police said.

 A Postal Service program to teach supervisors how to defuse workplace tension rankled minority employees in Denver who say it reflects racist attitudes. Two workers complained that the program says American Indians and blacks make eye contact "when they are ready for a fight." The course will be changed, officials said. (AP)

Water more than five feet deep flowed through the streets of Elba, Alabama, keeping 2,000 people out of their homes, after a weekend of rain sent a creek through a break in a levee. At least eight deaths were blamed on the weather across the South-

 Schools and highways were closed from the central Plains to the Great Lakes as a powerful winter ropped more than a foot of stiow and piled it into drifts up to 12 feet high. A 275-mile stretch of Interstate 80 across ebraska was closed for a third day. (AP)

A brother and sister. Ciarra Baseman, 4, and Duaine Baseman, 23 months, djed in Albert Lea, Minesota, after accidentally futting themselves inside an aphagged freezer, the police

A co-pilot had a fatal eart attack on an American Airlines flight carrying more than 100 people, and the piane made an emergency landing in Lubbock, Texas. Joe Neill, 55, slumped over in his seat while his plane was at about 31,000 feet on a flight from Dalias-Fort Worth to Intario, California.

New York

212.245 2000

310.271 8554

POLITICAL NOTES

Tobacco Industry Hits Record for Donations

NEW YORK - In an effort to win support for sweeping tobacco legislation, the major cigarette producers have showered lawmakers with record campaign contributions, even as some old allies are now swearing off tobacco money. Tobacco interests pumped \$4.5 million into the coffers of federal candidates and national political parties in 1997, an industry record

for a nonelection year.

An analysis done for The New York Times by the Campaign Study Group, a Virginia research company, shows the industry began stepping up its contributions in 1995 and 1996, with accelerated donations continuing into last year, the most recent for which federal election records

In those years, more than \$14 million flowed to the Democratic and Republican national committees, other party committees and the campaign treasuries of candidates who were seeking federal office. The industry also spent more than \$58 million on lobbying over the last two

Despite the tobacco industry's increased largesse and lobbying, prospects for its most important legislative goal — congressional enactment of the \$368.5 billion tobacco settlement reached last year — are extremely cloudy, and the industry's public

image and political position have never been more precarious.

Race for California Seat

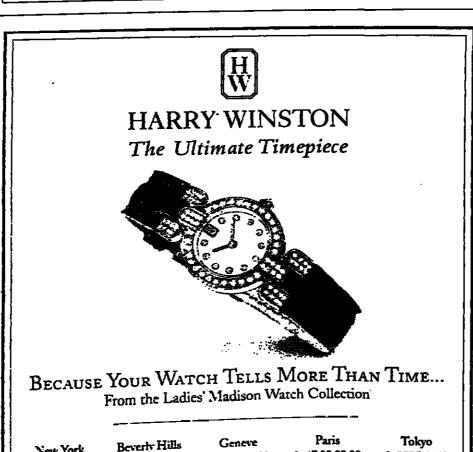
WASHINGTON - The Christian Coalition plans to flood a California congressional district encompassing Santa Barbara and San Luis Obispo counties with voter guides and get-out-the-vote phone calls in a last-minute drive to get conservative voters to the polls Tuesday for a special House election between a Republican, Tom Bordonaro, and a Democrat, Lois Capps.

The coalition will distribute the 100,000 voter guides and make 15,000 phone calls to "pro-family" voters in what is predicted to be a close race to pick a successor to Representative Walter Capps, Democrat of California, who died this year.

The race has won national attention, pitting Mr. Capps's widow, who supports abortion rights, against the very conservative and anti-abortion Mr. Bordonaro.

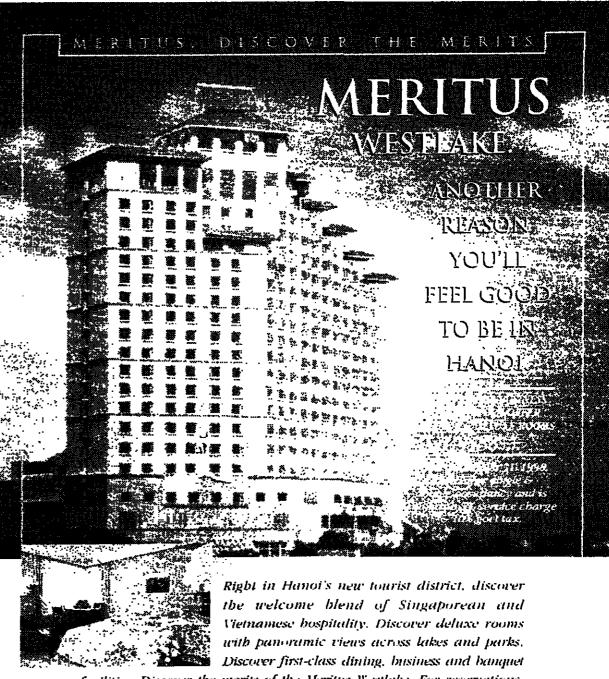
Quote/Unquote

Paul Begala, one of President Bill Clinton's senior advisers, on the mood in the White House as the Monica Lewinsky controversy drags on: "Inside, to the people closest around him, he's projecting a real sense of buoyancy. He's always, always self-confident. Always. And, man, that (NYT)



22. 818 2000 1. 47 20 03 09

3.3535 6441



facilities. Discover the merits of the Meritus Westlake. For reservations. please contact your travel agent or our regional sales offices.



I Thanh New Book Ba Duth District Hansa Valuation Tel. (84) 1982/1888/ Eds. (84-1) 829-288. MERITUS HOTELS & RESORTS CORPORATE OFFICE: 333 Ordand Road Singapore 258867 Tel 1051 255 Tisk Fig. (65) 255 (688) http://www.nicritiss-bases/conteg/REGIONAL SALES OFFICES: HONG KONG 7cd (652) 2755 3222 Fig. (652) 2755 2869 KUALA LUMPUR Teb (60) \$1 245 8823 Fig. (60) \$1 3(3) 0823 LONDON Teb (4) (17) 586 5212 Fig. (14-171) 956 2161 LOS ANGELES Tel: (711) 228 (108) Etx. (711) 228 (088) SINGAPORE Tel: (15) 255 8568 Fax (65) 255 (98) SYDNEY Tel (6)-20924 (64) Fax (6)-20925 (cof. TOKYO Tel (6)-5) 663 1025
Fax (8)-3) 36651024
JOHANNESBURG (GSA) Tel (27-11) 728 5274 Fax (27-11) 883 1529
JTELL

ASIA/PACIFIC

A Tamil Tiger Primer on International Arms Bazaar

By Raymond Bonner New York Times Service

These are some of the weapons in the arsenal of the Tamil Tigers, the guerrilla army swaging a war for an independent state on the island nation of Sri Lanka: surface-to-air missiles from Cambodia, assault rifles from Afghanistan, mortar shells from the former Yugoslavia and Zimbabwe, and 60 tons of explosives from Ukraine.

The Tigers are considered some of the more advanced and ruthless terrorists in the world. The Tigers' suicide bombers, wearing specially sewn body vests, are among the dead-liest in the business. The cadre, including young boys and women, are so disciplined that if they are captured, they have pledged to kill themselves by taking cyanide capsules that they wear around their necks.

The Tigers describe themselves as a liberation army, and for 15 years they have been fighting for the rights of the minority Tamils against the majority Sinhalese in Sri Lanka. The U.S. State Department officially labels the Tigers terrorists, and their ability to carry out suicide bombings like the one that killed 36 people Thursday in Colombo, the capital, reflects their remarkable success at acquiring

explosives and weapons.

A recent visit to Sri Lanka provided graphic insight into the Tigers' military procurement, and more broadly into the world's light arms

governments are at dealing with the traffic.

Unlike the trade in heavy weapons like reported by governments. Nor are there treaties governing their proliferation and use, as there are for chemical, biological and nuclear

weapons.

Nor in most countries is it a crime to buy weapons to fight a battle in a foreign land. And yet, today's regional wars — from the Balkans to Central Africa - are waged primarily with small arms: assault rifles, mortars, gren-

ade launchers and shoulder-fired missiles.

The Tigers are on the cutting edge of arms trafficking," said Rohan Gunaratna, an authority on the Tigers who is at the Center for the Study of International Terrorism at St. Andrews University in Scotland.

Mr. Gunaratna, who has good access to Sri Lanka's intelligence services, said the Tamil Tigers have bought arms from dealers in Hong Kong, Singapore, Lebanon and Cyprus; from corrupt military officers in Thailand and Burma, and directly from governments, including Ukraine, Bulgaria and North Korea.

These are the same venues where other insurgencies and terrorist groups shop. Fa-vorite arms bazaars are the states of the former Soviet bloc, like Ukraine, Bulgaria, Slovakia and Kazakhstan, countries that are long on weapons and poorly paid officials, and short trade: It revealed how easy it is to find on cash and law enforcement. War zones gone weapons, pay for them with funds moved quiet, like the former Yugoslavia, Cambodia, through major banks and move them across Afghanistan and Mozambique, are other Tiger cadre have been found in Denmark, 1980s.

borders. It also underlined how ill prepared places where arms traders look for wares. Most of these countries do not have the intelligence expertise, training or resources to tanks, artillery and combat aircraft, the move-monitor the illicit trafficking, nor does Sri ment of small arms is neither monitored nor Lanka. "We are dependent on others," said Kalynanda Godage, a retired Sri Lankan am-

> The head of the Liberation Tigers of Tamil Eelam is Vellupillai Prabhakaran, 43, a fisherman's son who has become one of the most effective guerrilla leaders of his time. The chief arms trader is Kumaran Padmanathan, a year old university graduate.

> 'That's the man they should start the manhunt for," said Mr. Godage, the retired dip-lomat. "He's the man who has made it possible for Prabhakaran to pursue this war.

> With several forged passports, and aliases, Mr. Padmanathan travels widely but his main bases of operation have been Singapore, Ran-goon, Bangkok and more recently Johannesburg, according to Sri Lankan intelligence officials and diplomats from countries where he has surfaced.

> "He can pass off as any middle class Tamil," said a Tamil militant who knows Mr. Padmanathan from their university days. A picture taken a couple of years ago shows Mr. Padmanathan, who is about five feet, seven inches tall (1.7 meters), with black, curly hair, a thick mustache and glasses.

Mr. Padmanathan has recently had bank according to Sri Lanka and Western intelSweden, Canada and Australia, they said.

And the accounts are bulging. By some estimates the Tigers collect \$1 million a month mostly from the Tamil diaspora in Canada, Britain, Switzerland and Australia. (Having been designated a terrorist organization, the Tamil Tigers are not allowed to raise money in the United States.) The Tigers also operate gasoline stations, restaurants and small shops around the world.

The Sri Lankan government has also re-

peatedly charged that the Tigers' ships have hauled opium from Burma, but Western diplomats said there is no concrete evidence of this. More credible, Western officials say, are allegations that the Tigers have links with organized criminal groups in Russia, Lithuania, and Bulgaria.

Flush with funds, the Tigers have picked up weapons from anywhere and everywhere. Assault rifles, grenade launchers, anti-tank weapons and Russian-made surface-to-air missiles have, for example, been purchased in Cambodia. One batch of missiles was bought from corrupt Cambodian generals, the other, more recently, from the ontlawed Khmer Rouge, Sri Lankan officials said.

Early this decade, according to a former member of the organization, the Tigers acquired at least two American-made Stinger missiles, one of the most deadly and accurate of hand-fired anti-aircraft missiles. They were accounts in London, Singapore, and Frankfurt, from the consignment of Stingers that the Americans gave the Afghan mujahidin during ligence officials. Accounts belonging to other their war against the Soviet Union in the



Sri Lankan soldiers at a checkpoint after a rebel attack

BRIEFLY

Train Bomb Kills 7 in Pakistan

LAHORE, Pakistan— A bomb explosion in a Pakistani express train killed at least seven people and wounded 48 in the central province of Punjab on Monday, the police and Hong Kong Seizes 27 Gangsters doctors said

Another bomb blast outside a court in the southern province of Sind wounded at least 13 people, including six

policemen, the official APP news agency said.
Railroad officials said the Chiltan Express train was crossing a bridge over a canal near Pattoki town, 70 kilometers southwest of the Punjab provincial capital, Lahore, when the blast occurred.

China Executes 6 in Poisonings

BEUING— Chinese authorities executed six people on For the Record Monday for producing and selling 73.5 metric tons of liquor tainted with methanol that killed 30 people in one of China's worst poisoning cases, the Xinhua press agency said.

Courts in the central province of Shanxi sentenced the six to death, four others to life in prison and nine others to jail terms of 5 to 15 years, Xinhua said.

HONG KONG— Hong Kong policemen said Monday that they had rounded up 27 triad gangsters believed to be linked to a bomb planted at a nightclub during a wave of bombings and bomb hoaxes last week.

Special anti-triad policemen arrested five men on Monday and nine other men on Sunday in raids in Kowloon and the rural New Territories, a police spokesman said. Thirteen other suspects were arrested earlier in connection with the attempted nightclub bombing last Monday. (Reuters)

Business Opportunities

OFFSHORE COMPANIES. For free bro-chure or advice Tet London 44 181 741 1224 Fax: 44 181 748 6558/6338

YOUR OFFICE IN LONDON Bond Street - Mail, Phone, Fax, Telex Tel: 44 17! 290 9000 Fax 171 499 7517

The Pope named Jean-Baptiste Pham Minh Man, 64, archbishop of Ho Chi Minh City.

Party Leader Steps Aside for Gandhi

By Kenneth J. Cooper Washington Post Service

NEW DELHI - Sitaram Kesri resigned Monday as president of the Congress (I) Party of India, clearing the way for Sonia Gandhi to formally take charge of the political party that her husband, Rajiv Gandhi, led from 1984 until his assassination in 1991.

Mr. Kesri, who is about 80, did not explain at a news conference why he had resigned. But he urged the Italian-born widow of the late prime minister to take charge of the party, the second-largest in the new Parliament.

"She should grace the post of the party president," Mr. Kesri said. "I have said this many times before."

Party insiders indicated that Mrs. Gandhi, 51, had agreed to become the Congress Party president. She was the party's star campaigner in a midterm election that has all but concluded, attracting large crowds but not enough votes to improve upon the party's record low of 140 seats in the 545-member Parliament.

Mr. Kesti had resigned to "give the reins Gandhi after he resigned Monday. and inheritance. of the party to new blood." Such laws wo

have no bearing on whether the Conformer Prime Minister P.V. Narasimha gress Party joined with the United Front Rao. coalition to bid to form a new government. That prospect that has dimmed because several Front partners have expressed reservations about allying with

President K.R. Narayanan is expected to invite the Hindu nationalist Bharatiya Janata Party and its allies to form a government this week. The Bharatiya Janata-led bloc has captured 253 seats, about 20 short of a parliamentary ma-

Mr. Kesri was elected president of the from British colonial rule.

MBA University Netherlands

Infl University Geneva

Colleges & Universities

France

American Uni ESLSCA BRA

16. St. John University

ESISCA MBA/IFAM International

Richmond College U.S.A.

New York University

Pace University

Preston University

Walden University

Stanford Univer

Tale University

Medical Schools

Name:

Job Title:

28.

American College in London

Bennington College July Program Ferris State University

George Washington Univ. Harvard University Summer School

Touro Law Center University of California/Riverside

VIDMBAS



Sharad Pawar, a Congress leader, said Mr. Kesri, near a cutout of Sonia

Congress Party in 1996, succeeding

A party apparatchik who was treasurer for two decades, Mr. Kesri had openly entertained hopes of becoming prime minister, prompting The Times of London last year to dub him an "old man

in a hurry. But party members found Mr. Kesri to be an uninspiring leader who lacked the physical vigor to reverse the party's decline from its dominant past, which saw the Congress Party govern for 45 of the 50 years since India's independence With Sonia Gandhi's entry into open politics, Mr. Kesri had become isolated and ignored within the party.

■ Hindu Party Backs Off Pledges

The Bharatiya Janata Party said Monday that it might freeze its most radical policies in an attempt to attract support for a coalition, raising hopes for a stable government, Agence France-Presse re-A spokesman, K.L. Sharma, said the

Hindu nationalist party, which is leading an alliance of more than a dozen parties, would have to soften its stance to achieve "consensus among all."

Bharatiya Janata's opponents have branded the party as sectarian and a threat to India's secular constitution. Mr. Sharma said that some of the

pledges in the party's election manifesto could be left out of a draft "national agenda" being discussed with coalition partners.

Those pledges include plans to build a Hindu temple on the site of a mosque razed by a Hindu mob at Ayodhya six years ago and the drafting of uniform civil laws covering marriage, divorce

Such laws would be bitterly opposed the country's 125 million Muslims India has a total population of 960 mil-

The Bharatiya Janata Party has also called for greater integration of the Muslim-majority state of Jammu and

Both India and Pakistan claim the divided territory and have fought twee wars over it during the past 50 years.

Mr. Sharma did not refer to a party

pledge to arm India with nuclear

Bharatiya Janata, meanwhile, took its own tally to 179 seats Monday with a victory in a delayed result from Kashmir.

See Wednesday's Intermarket for Business Opportunities, achises, Commercial Real Estat kertise contact Sarah Wersh on +14 171 120 0326 or fax +14 171 420 0338 A GREAT DEAL HAPPENS AT THE INTERMARKET

Announcements

Rerald Eribune SUBSCRIBER CUSTOMER SERVICE: For questions or quenes about the defin-

ery of your newspaper, the status of your subscription or about ordering a subscrip-tion, please call the following numbers: EUROPE, MIDDLE EAST AND AFRICA: COLL FREE - Austria 0560 3120 Segum 00800 4 448 7827 Denmark 00800 4 448 7827 Denmark 7827 Germany 0130 Met955 Great Britain 00800 4 448 7827 Greace 00800 33 12 15 06 Ireland 00800 4 448 7827 Inspection 00800 4 448 7827 Inspection 00800 4 Inspection 00800 2003 12 13 Observation (1900) 4 448 7827 May 1917 780040 Lucrenbourg 0800 2703 Netherlands 00800 4 448 7827 Marway 095800 4 448 7827 Swadon (20.797039 Switzenstand 0800 55757 Elsewhere 433) 1 41 439 361 THE AMERICAS:

USA (tal-free) 1-800-8822884 Elsewhere (+1) 212 7523890 ASIA: Hong Kong 2922 1171 Indonesia 809 1928 Japan (ol-free) 0120 464 027 Korea 3672 0044 Malaysia 221 7055 Phillippines 895 4946 Singapora 325 0835 Taiwan 7753456 Theiland 277

Friendships

ATR HOSTESS seeking professional businessmen for discreet leasons. Ashley in London. Tet: 0171 616 5087

Legal Services

DIVORCE IN 1 DAY, No travel, Write: Box 377, Sudbury, MA 01776 USA Tet 978-443-8387, Fax 976-443-0182 TELECOMMUNICATIONS

New Lower International Rates!

France...... 27¢ Italy..... 34¢ Japan..... 36¢ Singapore.. 33¢ UK..... 17¢

Instant Activation NO Set Up Fees NO Minimums Six-Second Billing

 AT&T Quality • 24-hour Multi-lingual Customer Service

mail: info@kallback.com

Tel: 1.206.599.1991 Fax: 1.206.599.1981

417 Second Avenue West

kaliback

FUNDING PROBLEMS?

Business Services

Financial Services

SOLUTIONS Contact

BANCOR

He guarantees to secure funding for visible projects: **VENTURE CAPITAL EQUITY LOANS REAL ESTATE**

Long term collateral Supported Guazantees

Real Estate

for Sale

French Provinces

14 norms - scupped-stone windows a fireplace, modern construction, top fa-tangs, perfect condition. Pool. Cubet. Un-spoiled hilliop view. + 20 ha park. / wood. US\$1,500,000. Fax +33 (0)5 53 40 63 92

PERIGORD LUXURY MANOR 875 90.00.

Real Estate for Rent

Paris Area Furnished

Embassy Service YOUR REAL ESTATE

AGENT IN PARIS Tel: +33 (0)1 47.20.30.05

Switzerland

GENEVA, LUXURY FURNISHED apart-ments. From studios to 4 bedisoons. Tet: +41 22 736 6320 Fax +41 22 738 2671

Herald Tribune ads work

FREE STUDENT VISA GUIDE WITH EVERY RESPONSE If you would like to receive further information on the advertisers who appeared in our

International Education Special Report on February 9, 1998, please complete this coupon & send it to:

THE INTERNATIONAL HERALD TRIBUNE c/o GABLE MARKETING LTD. St Mary's Mill, Chalford, Stroud, Gloucestershire, GL6 8NX, England Fax: 44 (0) 1453 886287 E-mail address:john@gable.star.co.uk West Indies
30. St. George University Executive Education 56. HOSTA 57. HOTELCONSULT Ecole des Hantes Eindes Intern Language Schools 58. HTTT

Escorts & Guides HIGH OCIETY

Worldwide Executive Escort Service Elegant High Class Models HQ LONDON Tet: 0171 266 1033

Tel: ++44 (0) 7000 444476 View Model Gallery E.MAR.: web@h-s.net

SWITZERLAND-GERMANY BELGIUM-LUXEMBOURG-UK ++31-20-427 28 27 Zurich-Geneva-Basul-Berne-Frankfurt-Mainz-Wiesbaden-Cologni

LONDON: (0)171-978 6606 COSMOS Escort Agency - Credit Cards

international

NY USA Holders: 1-212-765-7896 OFFICE@MITLESCORTS.COM

BOTTICELLI'S Elegant Model Escort Service. LONDON; ++44 171 589 51 81 - 24 hrs PARIS+LONDON WORLDWIDE **APOLLO Consultants**

+3120-5789-221 / +316-54228-124 EXCLUSIVE ESCORTS in photo gallery

ASMINE'S EXCLUSIVE TOP FASHION & GENUINE INT'L PHOTO MODELS Model Link Have a private confidential meeting to view our line Portfolio Workfulde. ++44 (0) 7000 822 822 ROYAL PLATINUM ESCORT SERVICE

PARIS COTE D'AZUR ELITE AGENCY The Best VIP Escart Service Brussels +32 (II) 477.327.405

venus in furs

LONDON 0171 362 7000 " EUROCONTACT INT'L " PARIS'STOCKHOLM'GENEVA'ZURICH

RIVIERA SRUSSELS LONDON VIENNA MILANTIONE al GERMANY & PRACUE COPENHAGEN ATHEN LOS ANGELES Escot Service Vienna ++43-1-212 0431

FOR ELITE! MILAN * ROME *

HEIDT'S HIGH SOCIETY"VIENNA"PARK RIVIERA"ZURICH GENFTAUNICH International Escut & Travel Service Vienna ++43/1/535 41 04 all credit cerd CHELSEA ESCORT SERVICE 51 Beauchamp Place, London SW1 Tel: 0171-584 6513

"GLYS & DOLLS ESCORT SERVICE"
MRAN"ROME VENICE TORINO PARIS
BRUSSELS GERMANY SWITZEFLAND COTE D'AZUR'SCANDINAVIA'SPAIN Tel: +39 (0) 335 619 0438 Credit Cards GENEVA PRETTY WOMAN

Call 02: / 346 00 89 Escort Agency "LAUSANNE-MONTREUX-BASEL "ZURICH - CREDIT CARDS GENEVA - ZUFICH Swiss Escort Service. Tet: 079 436 6274

' ZURICH ' CAROLINE '

24 HRS ESCORT SERVICE to med London's most labulous ladies Call Angelique +44 (0) 171 722 2234 AURPORT - F R A N K F U R T - MARKZ "CHARLEY'S ESCORT AGENCY" MOBILE PHONE -177 / 558 89 99

AMSTERDAM . DREAMS . ESCORTS and Dinner Date Service for Him or Her. Tet +31 (0) 20-64 02 666 / 64 02 111 Amsterdam JAN BIK ESCORTS. For he and she. Escort service since 1967. Tel: +31(0)20 623 1584/420 3827

ANGELICA MOON - LONDON & PARIS

Unique Class Private Escort Service, 24'v Covert Garden: 0171 813 9014

ANIQUE & AMY of Maytair. Two sophis-

brailed blondes. Escort service. Tet: 0171 4994720 or 0958 694013. Credit cards ASIAN * PERSIAN * ORIENTAL & CONTINENTAL Escort Service London Tel: (286 223317 24 ins Credit Cards International

BERLIN'LUCINDA

ESCORT SERVICE Tel. 0171-312 5853 BARBIE'S ESCORT SERVICE Exclusive to London/Galwick. Tet: 01342 883 669 BEAUTIFUL BRUNETTE, Stunning Figure. Charming Private Eacont Service. Luxury SW3. Patricial.ondor:0956139998

"BERLIN - FRANKFURT - ZURICH"
"CARISMA ESCORT AGENCY"
Tet: 0041-848 80 70 77 - Credit Cards "" BERLIN "" WELCOME" ESCORT & GUIDE SERVICE Tet: 0172 740 13 96 BLACK BEAUTY ESCORT SERVICE Exclusive Elegant Educated & Friendly London & Heathrow. 01819082261.Cards

· FRANKFURT · MEXA Private Escori Service Tel. +49-(0)171 - 62 44 552, delly 24 les FRANKFLITT & REGION First Class Escort, Dinner & Date Service 0049 - 69 - 6031575 HEATHER BEAUTIFUL SLOND private

escori service. Kensingion Tel: 0171 286 4672 or 0171 370 1487. HIGH LIFE ' VIENNA ' 24 hrs. MOST EXCLUSIVE ESCORT SERVICE VIENNA ++43-1-3675690 all credit cards INDIAN - EURASIAN Beauties Exclusive Escori Service Landon Tel: 0370 464718

LAUREN BLACK ELEGANCE Escort Service, A Private Full Figured Beauty. Advance/Overnile. 212-753-3833. LES ESCORTS service Tel: 0171 23/0629 Office: 1 Duck Lane, London W1 (off Wardour St.) MADRID HARMONY BARCELONA Topclass Escort &TDinner Date Service Tel: 34-1-366.35.88 or 908.81.89.64 MORRISON CLUB - VIENNA ESCORT

Service. 5., Rechte Wienzelle 2a. 0043 / 1 / 586 86 84

NATHALIE CHAPMENG and very Friendly Beaustful Brunette, Private Escon Service. London Tel: 0411 358 566

32. Le Sorbonne Université Aiz-Marseille 34. Madison had Spair 35.

U.S.A.

37. Manhattanville College 38. Tufts University ESL Day & Boarding Schools France Ecole Active Bilingue 39. 40. Emecole International School of Paris 42. Lenne 43. TASIS Lennen Bilingual School Italy

Canadian College Italy Netherlands

American Universit

Switzerland College du Léman eysin American School Ú.S.A. 50. Judson School Tabor Academy

45.

52 lotel & Management Schools/Tourism Netherlands Switzerland Ecole Hôtelière de Lausanne

e-mail:

Sammer Schools/Camps American University of Paris 61. Camp Mondamin & Green Cove 62. Pok-O-MacCready Special Education Switzerland FEDEA U.S.A. New England Villages Art & Design Schools 65. Academy of Art College 66. Harvard Graduate School of Design 🔲 Miscellaneous International School of Arasterdam Edacation Switzerland · 🗖: 67. FSEP U.S.A. 68. Jean P. Hague 69. Putney Student Travel Pablications 70. Editions Palsert 71. UNESCO Test Preparation Centers U.K. □ 72. Kaplan

Herald Eribune THE WORLD'S DALD NEWSPAPER

BRIEFLY Malrial: Numming To final

4 . A.C. (A.C.) a leus p IN Was bead. - Paleetta Mai Will Return to

> tged Ko inc suffer upheid -Conser temper - into tor the Martin Bear are ---to leave

Malasists on Meeting Tion blugs iccan's future aner with fund amunis, which of

Two weeks ber Republica TO THE WAR the british that they Menday # and the second s Je was a series of the second the contraction, and the

A Bridge Sorb please Some the first some manes Kundac pleaded switty to a see

all conviction without a series the shocker crime-against human the double counts. The United No.

Contract to

> 74 ATCE are:

្ស់ នៅស្ -0 000**0-749**

THE PERSON

Could the projections as part of a cambridge of caring seasons

an exper

- Cut record to

* * * . . . £04 . ∠±--∰

pposition lead in Del

2.00

....

- --

10 10 TA

- 14 **4**

1. 医电影电影

4 4

_. .

1.735

y i Ar

. 44

· · · 🐲

* *****

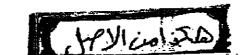
人名 计双数字

in its office

Serb Pleads Gui

edjourned until The United remaindustrial Tuesday to let i

ः ः ≔ वृद्धी





tives, the Center Democrats, the Christian People's Party and the far-right Danish People's Party.

Opposition Keeps Lead in Denmark

New Poll Shows Center-Right Poised for a Narrow Victory

COPENHAGEN - Center-right opposition parties are positioned to gain a narrow victory over the Social Democrat-led government in elections on Wednesday, a new poll said Monday.

The poll by the Gallup organization, published in the Berlingske lidende, showed center-right parties likely to win 92 of the 179 seats in Parliament. It was the latest in a series of public-opinion surveys showg the opposition ahead in a

The Social Democrats and their leftist allies were likely to win 83 seats, down from the current 89, said the poll, which was based on 1,397 interviews from Wednesday through Saturday. The poll ad a margin of error of 2.5

Liberals, the Conserva-

servatives, uncomfortable with the anti-tax and anti-immigrant far right, have refused to seek a coalition with the Danish People's Party, but that party says it will support any nonsocialist govern-

ancy of the center-right has to do with dissatisfaction over income taxes, which are the highest in Europe, and with the lack of charisma of Prime Poul

Despite the promising poll igures, the Liberal leader, Ellemann-Jensen, widely seen as a new head of government, said he assessed his chances of becoming prime minister at only "fifty-

You never know what an election," Mr. Ellemann-

Social Democrats, said at a weekend rally that the elections were "a choice between welfare and farewell-fare." Prime Minister Rasmussen year, and the Danish curasserted that tax cuts would rency, the krone, is one of the bring the end of the welfare most stable currencies in

The booming Danish economy, nonetheless, is seen as a boost for the leftist government's hopes of staying in

Economists and most politicians recognize that the high performance of the economy has made Denmark a model that is a cause of envy abroad. The head of the Bundesbank, Hans Tietmeyer, has praised Denmark's 'employment miracle,'' particularly where young people

are concerned.
Since Mr. Rasmussen came to power in 1993, the unemployment rate has fallen from nearly 12 percent to 7.4 percent last month. Official Eurostat figures put it as low as 6 percent. About 162,000 jobs have been created, more than 100,000 of them in the private sector, long-term interest rates are 6.3 percent, the lowest in 40 years, share prices have almost doubled and property values have risen by haif.

Denmark has "probably the best economy in the world or at least in the EU," Knud Soerensen, the head of Den Danske Bank, said last

The Danish banker, a political conservative, conceded omy under the Social Democrats and their allies had been

Denmark is one of the three countries in the European Union to boast a public surplus, of 0.7 percent, while its debt is falling and now stands at 64 Nyrup percent of gross domestic product.

According to provisional statistics released by the Ministry of Economic Affairs, growth last year stood at 3.0 percent, inflation was 2.2 percent and pay increases were

last year to avoid overheating can happen in the last days of of the economy, to put a brake on domestic consumption which increased by 4.0 per-Holger Nielsen, the leader cent — and to cut the balance of the Socialist People's of payments surplus to 0.5 Party, which is allied with the percent of GDP, from 1.5 per-

> External debt was reduced to 22.6 percent of GDP from 24.5 percent the previous (AP, AFP)

BRIEFLY

Papon Trial: Summing Up Starts

BORDEAUX — Five months after it began, the final phase of Maurice Papon's war crimes trial began Monday with lawyers starting to present their final arguments. Gerard Boulanger, one of 26 civil-party lawyers rep-resenting victims' families who are expected to speak,

was the first to begin summing up.

Mr. Papon, 87, is accused of signing the orders that led to the arrest and deportation of 1,690 Jews from Bordeaux during World War II while he was head of the Jewish affairs department in the Gironde Prefecture.

Ex-Nazi Will Return to Italy

ROME — The former Nazi SS officer Karl Hass, sentenced over the weekend to life in prison for a World War II massacre of civilians, has pledged to renum to Italy from Switzerland and surrender to the judicial authorities.

An Italian military appeals court upheld Saturday the convictions of Mr. Hass and another former SS officer, Erich Priebke, sentencing them to life for their part in the massacre of 335 civilians in March 1944 at the Ardeatine

In a statement issued by his lawyer late Sunday, Mr. Hass, 85, said he had decided "to leave Switzerland where I went to visit my sister and return to Italy at the disposal of the Italian authorities.

Adams Insists on Meeting Blair

BELFAST — Gerry Adams, the Sinn Fein leader, said Monday that his IRA-allied party would not participate in the negotiations on Northern Ireland's future until Prime Minister Tony Blair of Britain met with him.

The British and Irish governments, which co-sponsor the talks, suspended Sinn Fein for two weeks because of two Belfast killings attributed to the Irish Republican Army, but had invited Sinn Fein to rejoin the talks Monday.

Sinn Fein officials had been hinting that they would send junior officials to the negotiations Monday. But at a news conference in Belfast, Mr. Adams said other political leaders who think Sinn Fein should return "underestimate the difficulties caused by our expulsion, and the erosion of confidence in the conduct of the process.'

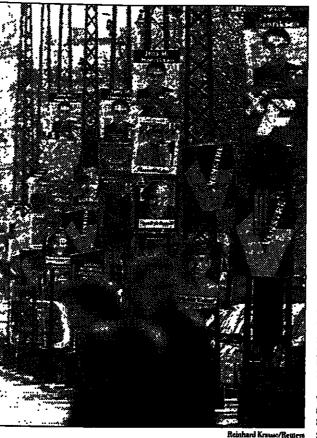
Bosnian Serb Pleads Guilty

THE HAGUE - A Bosnian Serb pleaded guilty on Monday to raping four Muslim women in an east Bosnian town in 1992, handing the Yugoslav war crimes tribunal its first rape conviction.

Dragoljub Kunarac pleaded guilty to a single crimeagainst-humanity charge stemming from the rapes in Foca in 1992, described by prosecutors as part of a systematic Bosnian Serbian campaign of sexual assault. His plea means an automatic conviction without a trial for that

Mr. Kunarac, 37, pleaded not guilty to three other related charges: another crime against-humanity count and two war crimes counts. The United Nations court immediately adjourned until Tuesday to let prosecutors discuss what to do about those.

EUROPE



Danes passing posters for elections on Wednesday.

Suicide Video on TV Ignites Spain

By Al Goodman
New York Times Service

MADRID — Ramon Sampedro's struggle to be allowed to end his life after an accident 29 years ago left him paralyzed from the neck down made him a cause célèbre in the campaign to legalize assisted suicide. For years, he fought unsuccessfully in the courts to be helped to die and even wrote a book about it, using his teeth to hold the

But the national debate stirred by his death on Jan. 12 took an unexpected turn last week when a Spanish television station broadcast a homemade video that showed the bedridden Mr. Sampedro saying farewell into the camera and then drinking cyanide-laced wa-

The video, first shown on Antena 3 Television's main evening newscast last Wednesday and since repeated on other news programs, prompted many sup-porters of assisted suicide to criticize the television stations for violating Mr. Sampedro's privacy.

At the same time, they acknowledged that he must have wanted the video to be seen by officials to prove that he drank the poison voluntarily and so that the still-unidentified person who placed it beside his bed would not be prosecuted.

"When I drink this, I will have re-nounced the most humiliating of slaveries: being a live head stuck to a dead body," Mr. Sampedro, 55, says on the video, just before turning his head to the left to sip from the straw at his home in the village of Boiro in northwestern

Mr. Sampedro was a 25-year-old merchant marine when he dived into the

Many supporters of assisted suicide criticized the television stations for violating Ramon Sampedro's privacy.

shallow ocean waters near his home and broke his back in August 1968. Doctors informed him that his paralysis was

Executives of Antena 3, a television station seen nationwide, defended their decision to broadcast the videotape, saying they did not pay anything to obtain it, and that they showed only a few minutes from the 50-minute video, and not the death itself.

There was a social obligation to broadcast this video," said the Antena 3

anchorman, Fernando Onega.

Despite the widespread discussion prompted by the video's broadcast, the main group fighting to legalize assisted - the Barcelona-based Association for the Right to Die with Dignity
— predicted an uphill battle because of strong opposition from Spain's Roman

Catholic Church hierarchy. Last month, the church issued a report titled "Euthanasia Is Immoral and An-

Various opinion polls since 1995 have shown that a majority of Spaniards favor decriminalizing assisted suicide. At present, assisting a suicide can be

punished by 10 years in prison. After Mr. Sampedro's death, the police arrested Ramona Maneiro Castro, 37 who was a friend and bedside attendant of his. But she was released less than two

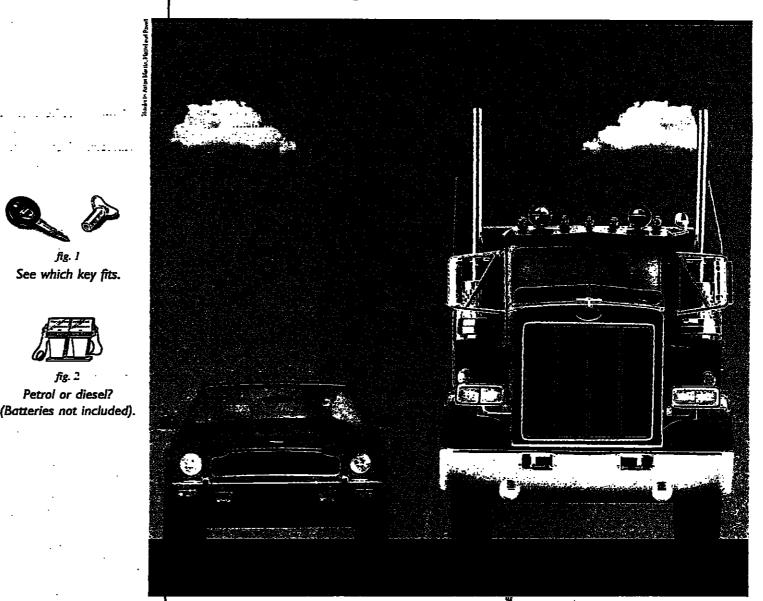
days later and has not been charged. Since January, 3,000 people have signed petitions saying that they were the ones who helped Mr. Sampedro die, and assisted suicide has been widely debated on talk shows and in newspapers.

The Spanish Parliament has rejected a bill put forward by leftist parties to legalize assisted suicide, but the conservative government and opposition parties agreed to send the issue to the Senate, which is expected to form a commission to consider it this week

GET YOUR MIND WORKING WITH PARIBAS

See which key fits.

Look very carefully at these two vehicles. The little red sports car is bigger than the truck. How is this possible?



PARIBAS IN FIXED **INCOME**

N° I bookrunner in Euro-denominated issues

Strong derivatives culture

Unique forex integration

APPEARANCES CAN BE DECEPTIVE

In the hard and fast world of fixed income, perception and reality are often two different things. In these days of billion dollar mega deals, it's sometimes hard to keep a sense of proportion.

To put things in perspective, 1997 was the year that Paribas dominated the IFR and Euroweek awards and outperformed many of its competitors.

Paribas was awarded the Eurobond and the Financial Deal of the Year. It also won the Deal of the Year in a wide range of financial product categories and was voted the "European bulge bracket house to watch". Year after year, Paribas has been recognised for its culture of innovation, technical excellence and ground breaking research expertise.

And the undisputed leadership of Paribas in the booming new Euro market is a result of its vision and long term commitment to serving all its clients.

Judging power and performance is a function of where you want to go and how quickly you want to get there. If you look carefully at the photograph above, (pay attention to who's driving) you will see that it's the truck that, in reality, is a mere plaything; a child's toy. It's the little red sports car, all 300 horse power of it, that's the real thing. http://www.paribas.com



INTERNATIONAL

Survivors of Serb Attack Recount 'Executions'

By Chris Hedges New York Times Service

SRBICA, Serbia — The bodies of 51 ethnic Albanians, partly wrapped in white sheets, lay stretched out Monday in two rows on the cement floor of an old garage as a steady drizzle pelted the tiled roof.

The corpses, a few burned beyond recognition, included 25 women and small children, their skin a chalky white and their faces blank and motionless. Niest bore the small, dark red holes of bullet wounds. Some of their skulls were shattered, and one had been decapitated. The scent of decomposed bodies was :::ling. despite the open doors and frigid wind that whipped across the muddy

The victims, most from the village of Prekaz, a stronghold of the outlawed Kosovo Liberation Army, appeared to include the rebel commander Adem Jashari, his head tilted back and his throat covered with a huge, bloody gash that looked as if it had could have come trem a knife wound.

The police brought the bodies from in morgue in Pristina in two trucks," said Adem Meta, a community leader, and told us we could do what we wanted to with them because the police had linished their work. They said that if we did not bury the bodies by tonight, they v ould dump them in a mass grave."

"We do not want to bury them without ramilies being able to come and identify the victims," he said, "but no one dares to come here now, it is too dangerous."

The release of the bodies means that at least 77 ethnic Albanians have died in the fighting over the last week and lozens more remain missing. It comes as there is mounting evidence that although many of the Jashari clan in Prekaz fired back on police units, numerous unarmed civilians, and apparently all males detained Ly the police, were executed, often in front of their wives and children.

Serbian officials contend that the women and children who died were lilled by armed rebels who refused to let them surrender. Bosko Drobnjak, the Serbian official in charge of information, said that Mr. Jashari murdered his st fe and nephew.

Those who fled the village, including 2 members of the Jashari clan who Tainaged to get out of the cordoned-off area on Sunday night, told of police "ficers" forcing men to lie on the ground in front of their families and then firing automatic rounds into their prostrate

out of the back of their house when he was grabbed by police, their faces painted in camouflage, family members said.

They made Nazmi lie on the ground and said look how we are going to execute your son," said Syleme Jashari, as her mother sobbed softly into her hands. "They shot him in his neck and back. The police then seized my father and beat him with their rifle butts.

The slaughter, which comes in defiance of calls by the international community for restraint, has unleashed a wave of anger and revulsion among ordinary ethnic Albanians, tens of thousands of whom marched through the streets of Pristina on Monday morning, chanting "Drenica! Drenica! Drenica! the region in central Kosovo where the current counterinsurgency operation is taking place.

The assault by the police and special paramilitary units from the Ministry of Interior began 10 days ago when rebels killed four policemen. It appears that the sweep against the guerrillas, fighting for a separate state in Serbia's southernmost province, was planned for several weeks. Hundreds of policemen, who have surrounded the Drenica region, continue to hunt down small armed bands that appear to have slipped past

the police at night.
In the town of Mitrovica, 40 kilometers (25 miles) northwest of Pristina, survivors from the Jashari clan, who fled through the woods from Prekaz when the fighting began on Thursday, detailed the last moments of many of those lying in the garage in Srbica 25 kilometers away.

The women in the room denied police reports that they had been offered the opportunity to leave before the fighting began. Instead, they said that shortly before dawn, armored personnel carriers and tanks rumbled into the village, surrounded several houses and unleashed a massive attack on those sleeping inside.
"We woke to the sound of heavy

gunfire," said Naile Jashari, 64, whose two sons died in the fighting. "We all ran for cover.

The women said they herded frightened children into houses away from the fighting. They hid in these houses for some time, but eventually Serbian forces, engaged in combat with rebels holed up in other homes, began to shoot through the windows.

'We made the children lie down on the floor and tried to protect them," said Sala Jashari. 38, whose husband Baqir, 43, died in the assault. "In the afternoon, the Serbs began to fire grenades at the Nazmu Jashari, one of the dead in the house, although there was no shooting garage, was helping his elderly mother coming from our building. Contact Group in Washington on March



Macedonian soldiers patrolling the road along the country's border with Kosovo Province in Serbia near the town of Blaca on Monday. The Macedonian Army has been on standby alert since the violence erupted.

KOSOVO: West Imposes Modest Sanctions Against Milosevic

Continued from Page 1

tions if Mr. Milosevic does not stop the harsh crackdown on ethnic Albanians favoring further autonomy or independence for Kosovo, said the British for-

eign secretary, Robin Cook. He was the host at the meeting.

American officials said they were pleased that Moscow, which sees itself as an ally of the Serbs, moved as far as it did. But one official noted that Russia might not even vote for an arms embargo Mr. Milosevic should take "rapid and in the Security Council, although it was unlikely to veto one.

A senior German diplomat, Wolfgang ical solution to the issue of Kosovo Issinger, said, "We realize it's been exthrough dialogue." tremely difficult for the Russians here."

The Americans had nearly given up on the Russians, and a statement was drafted that registered Moscow's unwillingness to support any of the sanctions. But a deputy foreign minister at-tending the talks, Nikolai Afanasievsky, telephoned Mr. Primakov, then handed the telephone to Mr. Cook.

Mr. Primakov then asked to speak to Mrs. Albright and the German foreign

minister, Klaus Kinkel, and agreed to the two weakest of the punitive measures. There will be another meeting of the

be judged again.

We want President Milosevic to know we will be watching very closely how he responds," said Mr. Cook, speaking for the group.
"I hope that when we meet again we

will see evidence that the situation in Kosovo is stabilizing on the basis of respect for civil liberty, peaceful expression and international law. Within 10 days, a joint statement said,

effective steps to stop the violence and dards of engage in a commitment to find a polit-uphold.

In particular, the statement said, he should withdraw special police units from Kosovo, allow access to the province by the International Committee of the Red Cross and Contact Group diplomats and commit himself publicly to begin a process of dialogue.

While the officials are concerned that ethnic tension in Kosovo could spread to Macedonia and even beyond, to Greece and Turkey, the analogy to Bosnia and its ethnic cleansing is legally awkward.

No one challenges Serbia's sovereignty over Kosovo or the right of the authorities to repress an armed insur- with Serbia.

25, when Mr. Milosevic's conduct will rection there. At issue instead is the brutality with which Mr. Milosevic has moved to repress the ethnic Albanians and the American conviction that unless he is checked, Bosnia-like ethnic cleansing will begin again.

We don't want a repeat of 1991," Mrs. Albright said, "when the international community did not react with sufficient vigor and force."

This time, she said, the West must act. and see this crisis not as an internal affair, but "an affront to universal standards of human rights we are pledged to

It represents, she said, "precisely the sort of conduct that drew the former Yugoslavia into civil war.

"Once again. President Milosevic is playing with fire," Mrs. Albright said.
"Once again, he has tried to solve his problems not with the force of argument. but with the argument of brute force."

The entire Contact Group, including the Russians, also agreed on a series of measures designed as "preventive diplomacy," including an agreement to have some form of international peacekeeping presence in Macedonia after the mandate of the current force ends in August. The force patrols the border

SUHARTO: He's Set to Stay Put

A Mamic Fen

and the second

Y THE TIME

Still a work Wiesolace problems

le stage for all of its !

To take the measu

gushed group of journ

ad author of Beyond

of tou much progress

there challenges the

history The Sevende

ing the creation and en interest quests for

Zeer Chafets, the Floride & glimper

Josef Joffe, the colean

and John Goshko, the Line

Grajock 31 two of let

Genmany and the other

Joseph Fitchett, the

the regional balance of

Dr. Sari Nusschaff

of the Al-Quds University of the Marian Control of the Pales

leal Sandler, an

hom low-tech to high

industries and their over

hore information about Paris at (33-1) 41 43 93

Tom Seger, the Israe

Glenn Frankel, the

Continued from Page 1

the constitution in naming a successor Such a move would serve as fodder for those who criticize the government as feudalistic.

An outspoken and widely respect magazine last week ran a cover depicting. Mr. Suharto as the King of Spades prompting the government to take legal action against its editors.

The president's children, who have wide-reaching and lucrative business in-terests in Indonesia, have increasingly taken on the role of government spokes to the naming of a new cabinet.

The political transition has been cited.

by officials from the International Monetary Fund in explaining why they de cided to delay the latest payment of the \$43 billion bailout of Indonesia. ficials announced last week that the 13 billion slated to be paid on March 15 would not come until April.

The IMF and Mr. Suharto have been locked in a standoff over the economic rescue package, with the Fund demand ing a quick carrying out of reforms and Mr. Suharto dancing around the measures he twice vowed he would carry out. He has also been dangling the idea of pegging the Indonesian rupiah to the dollar — a plan inspired by the American economist Steve Hanke that the IMF and Washington have warned as potentially disastrous.

Both IMF and Indonesian officials on

Monday sought to play down the spar-ring, which has roiled Southeast Asian markets after comments attributed to Mr. Suharto that led some analysts to fear the president had dug in his na-tionalist heels and decided to reject the

bailout altogether.
Jusuf Syakir, chairman of the Muslim-dominated United Development Party, emerged from a meeting with Mr. Suharto on Sunday announcing that the president had said the IMF reforms were 'not in line" with the constitution. Specifically, Mr. Syakir quoted Mr. Suharto as saying the reforms went against an article stipulating that the economy should be organized "based upon the principle of the family system," or, in Western terms, "family values."

Few Indonesians, foreign business officials or diplomats missed the irony in a statement coming from a president whose family has amassed billions of dollars over the last three decades and helped inspire the coining of the term crony capitalism.

Some analysts played down the sig-nificance of Mr. Suharto's latest com-

"Sometimes they run these trial balloons up just to see if they're going to sink, if they fly, if people hate them, if they'll get comments," one foreign

STUDENTS: Indonesian Campus Protest The decision by the IMF to hold back the \$3 billion in rescue funds because of Mr. Suharto's failure to deliver promised economic reforms also pushed down stocks Monday in Singapore, Malaysia, South Korea and the Philippines.

> Bearing the market's volatility in mind, Foreign Minister Ali Alatas said that Mr. Suharto was committed to the IMF reforms.

"We are going to implement the agreed program on the reform and restructuring of our economy." Reuters quoted Mr. Alatas as saying.

The agency also reported that the IMF's representative in Jakarta, Kadhim Al-Eyd, said a review team hoped to conclude talks with the government soon on the next payment of the bailout package.

smoking clove eigarettes under a covered

Continued from Page 1

though the military has been deployed nearby. Just blocks away from protesters were riot police, soldiers with submachine guns and, occasionally, a few tanks. Last week students in Bandung said they spotted a tank riding through the middle of campus.

"We're not afraid of tanks," Andri said. "They never use them. Soldiers are as poor as other people in Indonesia. Over the years students have protested. sometimes with the tacit consent of the government, on issues ranging from Japanese involvement in the economy to

communist influences in government. At the Bandung Institute of Technology, 130 kilometers (75 miles) southeast of Jakarta, students said their most important role in the current crisis was to encourage ordinary Indonesians, who are unaccustomed to the idea of participating

in a political dialogue, to ask for change. They said they had spread the message of change during food drives for needy families in Bandung. Collecting food and money from faculty and alumni, students handed out rice, sugar and cooking oil and encouraged political

activism as they went.
"The food is just like aspirin," said Bimo Purbo, 21, a mechanical engineering student wearing a blue bandanna and eans with a ripped back pocket. "It will only postpone the pain. We want people to ask for reformation themselves."

Mr. Bimo said he preferred the word 'reformation' over 'revolution' be- ers-Joncour have caused embarrassment cause the latter implies violence, some- and concern in Paris, where her friendthing he said students want to avoid. ship with former Foreign Minister Ro-

We want a peaceful reformation. Mr. Bimo and his friends were walkway at the student center. A few steps away, students were singing a song called "My Campus" from the 1970s.

Fellow students what are we now? Handeuffed on our left side and jailed on our right

This is my campus, this is my home. This is my campus, this is my nation. This is my cumpus, this is my freedom.

Today, we have the moment," said Andri, the physics student, about the demonstrations. "We didn't create the moment, the moment came to us."

Elf's Ex-Chairman Faces Kickback Charges

PARIS - A French magistrate investigating kickback charges in a Taiwan frigate deal placed the former chairman of Elf Aquitaine SA under judicial examination Monday for alleged misuse of the oil company's funds.

Judge Eva Joly put Loik Le Floch-Prigent under investigation on suspicion of paying a fictitious salary and a hidden commission to Christine Deviers-Joncour for lobbying for the sale of six frigates to Taiwan in 1991, justice sources said.

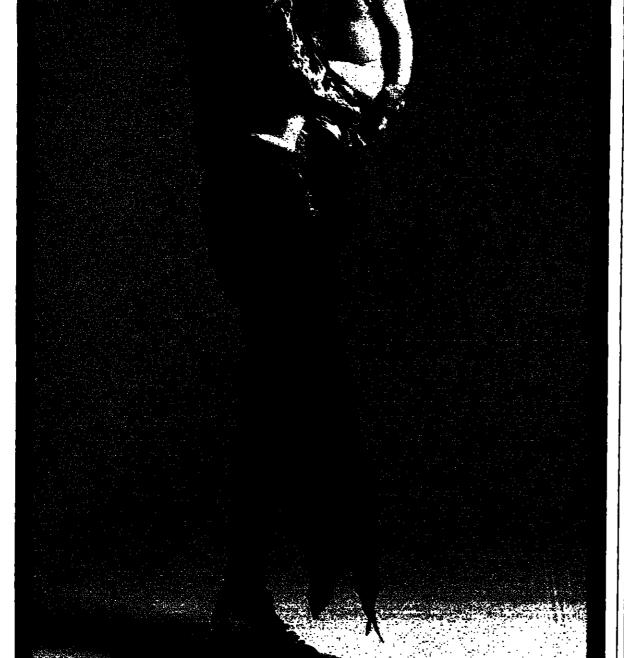
The alleged payments to Miss Devi-

land Dumas prompted magistrates to ask him to testify in the case on March 18. The governing Socialists watched

from the sidelines as Mr. Dumas, a lifelong ally of Francois Mitterrand, the late Socialist president, denied press reports linking him to the shift from a pro-Chinese policy, which paved the way for

Justice sources said Mr. Le Floch-Prigent would be investigated for an alleged talse salary paid to Miss Deviers-Joncour as well as a company credit card she used for three years and payment of 59 million francs (\$9.6 million) that she received after the defense-electronics company Thomson-CSF sold the Lafayette-class frigates to Taiwan.

CROSSWORD



ROMEO GIGLI

ACROSS 24 Japanese dog 1 Remote contro button 25 Explorer who 5 Secure a ship 27 - Plaines, III. 28 Barnes & Noble habitué

9 Hunter's trail 14 Pinnacle 15 Poet Pound 16 Mare : foal ::

17 Sicilian spouter 18 Arabian Sea 19 Hit the + ke

playeron 23 Watchdog's

dreamland 41 Saws

38 --- Valley

Calif.

40 Out of

the comics

33 Witchy woman

25 Marxist exiled by

Solution to Puzzle of March 9

44 Pompous sort 47 Listened to again, as legal 49 16 drams 51 Unusual shoe

32 Hi's helpmate, in Dolls" writer 56 Visit the registra 58 Concept

> 59 Dairy airs? 69 Screen star 61 Wander 62 Poker pot starter 63 Man of La

Mancha 64 Pulls a bones 65 "Untouchable Diot

DOWN 1 Attendant on 2 Slow on the — (thickheaded)

3 With 44-Down demand

4 Oblain by 5 Siamese sound 8 Baum princess 7 Kind of exam or

court query

history 5 inflate

10 Hippie's 11 The Stars and 12 Be situated atop 13 Set nght 21 Peter of Peter, Paul & Mary 22 Pitcher part 26 Comparable 29 Long, long time

31 Rid of ven 33 Put an end to 34 "Now! ---35 ∐ke most Danish churchgoers 37 Old salt

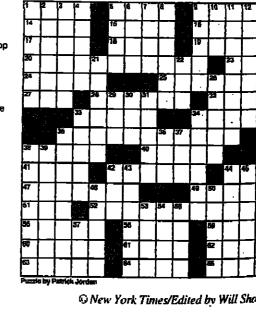
30 Cupboard

38 Lengthy discourses McDaniel's 42 The Roaning

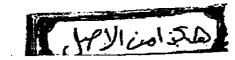
43 Look up to 44 See 3-Down 45 Moves along quickly

46 Taste and touch, for two 54 Approach 48 Freud 55 Nameth's lest 50 Deprive of one's

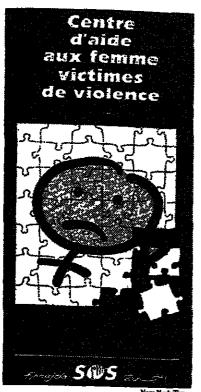
53 Scent



New York Times/Edited by Will Shorts



Islamic Feminists Speak a Little Louder Against Inequalities in Muslim family laws are testing offining the issues and planning active in Muslim family laws are testing offining the issues and planning active in Muslim family laws are testing offining the issues and planning active in Muslim family laws are testing offining the issues and planning active in Muslim family laws are testing offining the issues and planning active in Muslim family laws are testing offining the issues and planning active in Muslim family laws are testing offining the issues and planning active in Muslim family laws are testing offining the issues and planning active in Muslim family laws are testing offining the issues and planning active in Muslim family laws are testing offining the issues and planning active in Muslim family laws are testing offining the issues and planning active in Muslim family laws are testing offining the issues and planning active in Muslim family laws are testing offining the issues and planning active in Muslim family laws are testing offining the issues and planning active in Muslim family laws are testing offining the issues and planning active in Muslim family laws are testing offining the issues and planning active in Muslim family laws are testing offining the issues and planning active in Muslim family laws are testing offining the issues and planning active in Muslim family laws are testing offining the issues and planning active in Muslim family laws are testing offining the issues and planning active in Muslim family laws are testing offining the issues and planning active in Muslim family laws are testing offining the issues and planning active in Muslim family laws are testing offining the issues and planning active in Muslim family laws are testing offining the issues and planning active in Muslim family laws are testing offining the issues and planning active in Muslim family laws are testing offining the issues and



New York Times Service

CASABLANCA — The day Rashida was called to family court, she found herself in a scene that nearly stopped her heart. There, before the judge, was her husband of 10 years, father of her two children, the man she thought so enlightened when they first met at the university. That same man was seeking the court's consent to marry a second wife.

It took just minutes for the judge to approve. He ruled that the petitioner, who was a senior government official. earned enough to maintain two families. Rashida's unexplained summons to court was the first she had heard of the

Since her husband's second wedding, two years ago, Rashida has begged him in vain for a divorce and child support. She dares not think of remarrying. If she did, under Morocco's Islamic law, she would be likely to lose her children. That is also why she did not want her full

"This case is cruel, but it's mild compared to many others," said Fatima Maghnaoui, a counselor at a legal-aid center for women where Rashida had gone to seek help.

Before Rashida, two women went to A leaset from the Annajda center the center who had been repudiated by in Casablanca, offering legal aid their husbands, effectively relieving the to victims of domestic violence. husbands of any further responsibility

A 14-year-old girl had been raped, which left her pregnant and with nowhere to go. She could not return home. "Her oldest brother said he would kill her for dishonoring the family,' Mrs. Maghnaoni said.

Such cases are common — and not just in Morocco, which likes to see itself as one of the more cultured and humane Muslim nations. They occur throughout the Islamic world, where texts of the Koran and a range of appendages at-tached in the Middle Ages are invoked to deny equal rights to women.

Protests against the humiliation of women in Islamic societies are hardly new. But more Islamic women's groups are speaking out against what they call the Muslim system of apartheid. The status of Muslim women varies

widely. While some have gained rights, others have recently lost them. But like a deep fault line, the issue of how women are viewed socially and legally runs through most of the Islamic world. Women and what they are forbidden

to do or wear are at the heart of the fundamentalist policies in Afghanistan and Iran and even of the divisions that have led to the political violence in Algeria. Whether women should wear head scarves as a sign of religious modesty has been revived as an issue in Turkey. And demands to abolish discrimination

ficial promises for greater democracy in Morocco, Tunisia and Malaysia.

But even if these issues are ubiquitous, there has been little motion.

"Islamic countries have modernized many laws - in the economy, education, commerce, politics, you name it," said Wassyla Tamzali, an Algerian lawyer and a specialist in Muslim women's rights at Unesco. "But there is practically no movement in the status of women. When it comes to women's rights, religion and theology are in-

*Change is so difficult because in Islam, women symbolize tradition and cultural identity. It is as if the whole burden of the Islamic tradition rests on their shoulders."

But a public, if relatively quiet, rebellion is under way. The activists do not get much limelight: They usually do not march in protest, either because it is forbidden or because they fear a backlash. But as International Women's Day, on March 8, approached this year, there was a multitude of debates, conferences and television programs about the issues across North Africa, from Morocco to

Egypt.
In Morocco, Tunisia and Algeria, where women rank among the more emancipated of the Islamic world, activists say the United Nations international women's conference in Beijing in

1995 was an important catalyst for defining the issues and planning action.

But most important, they say, support

has grown because women are caught in the growing contradictions and shifts within Islamic societies.

One such shift, in the countries around the Mediterranean, has been the enormous migration from the countryside to the cities in recent years. As a result, more women now go to universities and work as doctors and lawyers as well as in factories and offices. But the archaic laws linger.

"Legally, we are still as helpless as the illiterate girls on the farms," said Nouzha Skali, a Casablanca pharmacist. We are all legal minors, and we depend on permission of our fathers, brothers or

Educated or not, a Moroccan women needs the permission of a male relative to marry, name her children or work. She inherits half as much as her male siblings. She can be forced into marriage or polygamy and can be beaten or repudiated without recourse.

In conversations with Moroccan women and with female lawyers from several Arab countries who recently gathered in Paris, all agreed that the rise of Islamic fundamentalism in recent years had slowed down and complicated their fight. But some believe that it has clarified the need to anchor any new rights in civil rather than religious law.

BRIEFLY

Turkish Kurd Force Considers Iraq Exit

ANKARA — A Turkish Kurdish leader waging a guerrilla war against Turkey has said his forces may with-draw from northern Iraq, in line with

demands from an Iraqi Kurdish fac-tion, a report said Monday. Abdullah Ocalan, leader of the Kurdish Workers Party, told the London-based Kurdish satellite television Med TV that he was prepared to move his rebels out of northern Iraq, according to the Turkish daily Milliyet.

"We have persistently been advising them to get out," said Faik Nerweyi of the Kurdistan Democratic Party in Ankara. "So far they have not accepted this advice."

Netanyahu Efforts Dismissed in Press

JERUSALEM --- Prime Minister Benjamin Netanyahu ended a three-day European tour to pro-mote new Middle East peace initiatives on Monday, but at home, his proposals were being viewed as more appearance than substance.

The initiatives Mr. Netanyahu advanced in Madrid, Bonn, Oslo and London over the weekend were immediately rejected by Lebanon and the Palestinians. Syria denounced them as "dangerous."

Even the Israeli press treated the proposals largely as public rela-tions. The Yedioth Ahronoth newspaper noted that Mr. Netanyahu had formulated his "four-point plan" on the flight to Oslo and quoted his aides as joking that they were returning to the Norwegian capital, where the peace plan began, to bury it.

Puerto Rico Protest Against New Radar

SAN JUAN, Puerto Rico -Dozens of residents opposed to the construction of an anti-drug radar system protested on an island off Puerto Rico where the U.S. Navy wants to install the transmitter.

The Vieques demonstrators expressed worries Sunday about the health effects of the radar system. which is expected to reach deep into South America by bouncing signals off the ionosphere. Officials say health effects are minimal. (AP)

Sydney Gruson, 81, of The New York Times, Dies

By Eric Pace New York Times Service

NEW YORK - Sydney Gruson, 81, a former foreign correspondent, senior editor and corporate executive at The New York Times who played a pivotal role in the creation of the modern International Herald Tribune, died Sunday at his home in Manhattan

The cause was not immediately clear, but he had been suffering from kidney and heart ailments for several years, said his son, Lindsey.

Mr. Gruson began his career at the Canadian Press news agency and joined The Times in 1944. He won renown for his informed and energetic reporting from overseas, particularly in Europe, and went on to serve as the paper's

foreign editor. He became a New York Times Co. executive in 1969 and rose to be an executive vice president. He then became a director and vice chairman. He left those two posts in 1986, when he was almost 70. In 1987, he became

U.S. operation of the Rothschild group in London and Paris.

In 1966 and 1967, he served as editor and chief executive officer of the International Edition of The Times, which was published in Paris. It operated in the red, and Mr. Gruson eventually helped merge it with another English-language newspaper published in Paris, the New York Herald Tribune (International), published with The Washington Post, to form the International Herald Tribune.

In his autobiography, Ben Bradlee, the former Post executive editor, recounts how the merger played out. The New York Herald Tribune folded in 1966, but the owner, Jock Whitney, kept the paper's Paris edition, born in 1887, alive. To keep it affoat financially and to compete with the Times's Paris edition, Mr. Whitney sold 45 percent of the Paris Trib to The Washington Post

"So we went mano a mano, and both papers started losing important money," Mr. Bradlee wrote. "The same desire to compete with the New York

senior adviser to Rothschild Inc., the 1 Times kept us from suggesting that we stop losing money and join forces. That was left to Sydney Gruson." Mr. Bradlee recalls being leery of Mr. Gruson at first.

"I had trouble believing the mighty Times was going to give the Post anything like a fair shake in any merged enterprise," he wrote. "I was wrong, of course, about the Times, and about Gruson. He became one of the delights of my life, funny, smart, not pom-

Mr. Bradlee and Mr. Gruson served on the board of the IHT for many

It was in October 1956, when Mr. Gruson was 39, that he had one of his finest hours as a journalist. The Times articles that he wrote then about an anti-Stalinist upheaval in Poland were praised 32 years later by the author Harrison Salisbury, a former Times editor and an expert on communism, as "the most remarkable dispatches I have ever seen from the communist world, documenting hour by hour, almost minute by

minute, the inside story of the crisis." Mr. Gruson saw it coming. On its eve, on Oct. 18, he wrote: "The bright sun, the autumn gold of the trees and the inviting snap of October weather cloaked Warsaw in a false display of serenity today. The mood of the city on the eve of a meeting of the Communist

Party leadership is a revolutionary one,

not a revolution against Communism, but a revolution to change Communism as it has been known here since the end of World War IL' A high point of The Times's 1957 foreign reporting, which was awarded a Pulitzer Prize, was a worldwide newsbeat that Mr. Gruson scored, also from Poland, in obtaining the text of Mao

Zedong's "Hundred Flowers" speech. which ushered in a temporary thaw in Chinese politics. While Mr. Gruson was a foreign correspondent, he often worked with his first wife, the journalist Flora Lewis. After their divorce, she joined the staff of The Times, first as chief of its Paris bureau

and later as its foreign affairs columnist.



Sydney Gruson was a reporter and executive for The New York Times.

Her syndicated column continues to ap-

pear in the IHT. In 1974, he married Marit Bergson Gentele, who had been in the theater in her native Sweden.

On Thursday, April 30, 1998, to mark the 50th anniversary of the independence of the State of Israel, the International Herald Tribune will publish a Special Report on

SRAEL at 50

Y THE TIME people or nations reach the age of 50, there is usually a sense of certainty about them; they have an image of themselves as mature, established, maybe even comfortable. But Israel is very much still a work in progress; a country of extraordinary achievements and unresolved problems; a tiny country that has nevertheless held the world's center stage for all of its turbulent childhood, adolescence and now adulthood. To take the measure of Israel as it turns 50, the IHT has assembled a distin-

guished group of journalists, historians and politicians. Glenn Frankel, the Pulitzer-Prize winning Washington Post correspondent and author of "Beyond the Promised Land," will provide an overview assessment of how much progress Israel has made in resolving the internal contradictions and external challenges that have confronted, and still confront, the Jewish state.

Tom Segev, the Israeli historian, journalist and author of the widely acclaimed history "The Seventh Million," will scan the record of these past 50 years, examining the creation and evolution of the country's identity, the role of Zionism, the conflicts and quests for peace with the Arabs within and outside Israel's borders. Zeev Chafets, the novelist and popular columnist for the Jerusalem Report,

will provide a glimpse into daily life in Israel today. Josef Joffe, the columnist and Editorial Page Editor of the Suddeutsche Zeitung, and John Goshko, the United Nations correspondent of The Washington Post, will take a look at two of Israel's closest and most interesting relationships; one with Germany and the other with America's Jewish community.

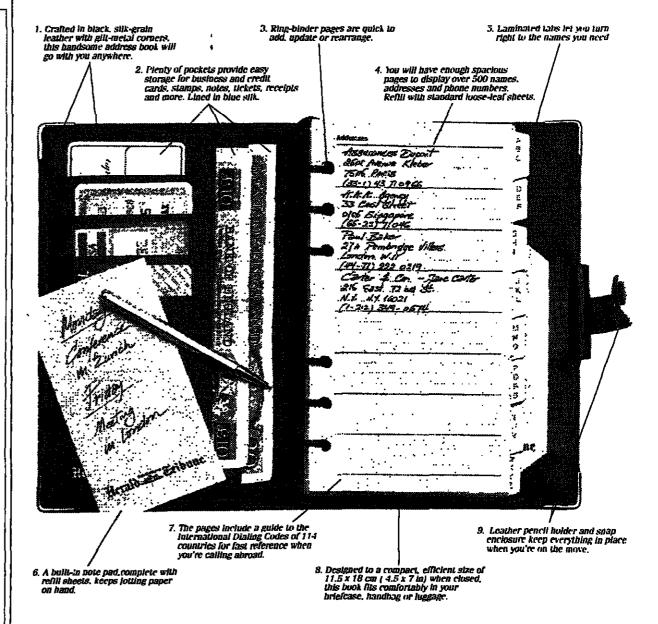
Joseph Fitchett, the IHT's political and security correspondent, will evaluate the regional balance of power in the Middle East and how that might shape Israel's

Dr. Sari Nusseibeh, the well-known Arab scholar and author, and president of the Al-Quds University in East Jerusalem, will write about life today and hopes for tomorrow for Palestinians in Israel, the West Bank and the Gaza Strip.

Neal Sandler, an economic correspondent, will examine Israel's evolution from low-tech to high-technology center, looking at the state of its high-tech industries and their overall impact on the economy.

For more information about advertising in this Special Report, please contact Bill Mahder in Paris at (33-1) 41 43 93 78 or fax (33-1) 41 43 92 13 or e-mail: supplements@iht.com.





Finally, an executive address book that has everything you're looking for. plus a little more

No doubt, most professional address books have too many of some features and not enough of others. But we don't think you'll feel that way

about the new executive address book from the International Herald Tribune. It's a beauty. And perfectly balanced (as we have pointed out above) with all the features you need – and, we believe, a few extras.

It is compact, portable and com-plete, which makes it well suited for your travel and every day use. And it's a great gift idea as well. Order yours today. As a special bonus, we'll

imprint your initials in gold on the cover.

postage in Europe. Additional postage of	e Address Books at UKE39 (US\$64) each includir outside Europe: UKE4.50 (US\$7) per copy.
ADDRESS	
CITY/CODE	
COUNTRY	
TEL	
Please charge to my credit card: ☐ Access ☐ Amax ☐ Diners ☐ CARD NUMBER	tNITIALS (max. 3 initials)
Expiry date Signa	ature
PLEASE RETURN YOUR ORDER TO: International Herald Tribune Offers 37 Lambton Road.	
London SW20 0LW, England. For faster service, fax order to: (44-181) 944 8243. Or F-mail: naulbaker@blinternet on	Herald The Eribung The World's Dally Newspaper

EDITORIALS/OPINION

Serbia Should Beware

The long-feared "second Bosnia" may be igniting in Kosovo, a province of Serbia with a 90 percent ethnic Albanian majority. Kosovans have been demanding independence from a Belgrade government that has ruled repressively and resisted restoring even the lesser autonomy that Bel-, grade revoked in 1989. Now a collision of the "Greater Serbia" idea identified with Serbian leader Slobodan Milosevic and a similarly nationalistic
"Greater Albania" could draw in prin-

cipals and region alike.

What triggered the current crisis was the predictable killing of some Serbian policemen by the armed wing of the Albanian nationalist movement. The Serbian government responded with indiscriminate force and against innocents. The U.S. State Department criticized this response as "excessive," notwithstanding that Washington does not embrace separatist movements and agrees with Belgrade that the Kosovo Liberation Army is a terrorist group.

Mr. Milosevic, architect of the old Yugoslavia's disintegration, recently

international favor by helping the United States seat a new moderate Bosnian Serb government. Washing-ton rewarded him with air landing rights and some other forward-looking steps. The State Department was supporting Belgrade's crimped plan for issue-by-issue negotiation, starting with education, of Serbian-Albanian differences. This faint progress and promise have now been lost

Outsiders must help the parties keep the violence from spinning out of control. Serbia cannot expect escape from isolation, nor the Albanians from neglect, if others see either as responsible for an escalating war. Any political changes must be made at a table. The sanctions against Serbia cannot be made much tougher, but NATO military op-tions need to be reviewed. Bill Clinton warning that Mr. Milosevic cannot pos-

sibly find advantage in testing.

— THE WASHINGTON POST.

Give the UN the Tools, and We Will Do the Job

NEW YORK — I will be traveling to Washington on Wednesday to meet with President Bill Clinton and members of his administration, to discuss not only Iraq but also the debilitating problem of the \$1.3 billion in back dues that the United States owes to the United Nations.

When I became secretary-general in January 1997, I pledged that I would revitalize the role of the United Nations and undertake top-to-bottom organiz-ational reforms. I have kept my pledge.

Yet the United Nations, for all practical purposes, remains in a state of bankruptcy. Our doors are kept open only because other countries in essence provide interest-free loans to cover largely U.S.-created shortfalls - not only NATO allies like Britain, France, Italy and Canada, but also developing countries like Pakistan and even Fiji.

The United States has not paid its United Nations dues in full and on time for some years. In 1995 it paid less than half of its total assessment. These gaps have never been closed.

Who benefits from a cash-starved United Nations? The aggressors of the world whose designs we seek to foil; the violators of human rights whose By Kofi Annan

The writer is secretary-general of the United Nations.

dealers and international criminals whose dealings we reveal; the arms merchants whose traffic in deadly weapons our conventions help to stop. Also impeded is our humanitarian work, against hunger, deprivation, the loss of homes and livelihoods.

The Iraq crisis demonstrates how indispensable the United Nations can be in the areas of peace and security. If it is honored, the agreement that I ne-gotiated in Baghdad will allow UN weapons inspectors to expand their search for and elimination of Iraqi weapons of mass destruction — an outcome that alternative courses of action might not have yielded. The public becomes aware of UN

contributions to conflict resolution only occasionally, when a crisis erupts that thrusts us onto television screens and into newspaper headlines. My recent trip to Baghdad was such an occasion.

But we have been there all along. As Mr. Clinton has stated on numerous occasions, unarmed UN inspectors abuses we endeavor to curtail; the drug have destroyed more weapons of mass

than Operation Desert Storm did.

UN Security Council resolutions have kept sanctions in place. The "oil for food" program administered by the United Nations has sought to reduce the suffering of Iraqi civilians, especially women and children.

And when the international community determined that diplomacy in Iraq deserved one last chance, the eyes of the world instinctively turned to the

Institutional reforms are more difficult to portray to the public than crisis management. Under my reform package, we have achieved an actual decrease in the UN budget, down to \$2.53 billion for the 1998 and 1999 biennium. Nearly 1,000 posts have been cut outright, bringing the staff size below 9,000, and other jobs are being held vacant. Administrative expenditures are being cut to 25 percent of the budget, from 38 percent.

Our leadership and management structure has been tightened, making it more coherent and more responsive to the needs of the world. And the General Assembly is debating my recommendations for streamlined legislative processes, sunset provisions for new man-

destruction in Iraq in the past six years dates and a new efficiency-inducing budgetary system.

Sharto Sti

- 🗝 MEK 🕻

--: Kx## I

gerra gerieb**en**

en 🚧

企 網

e **esta**

__ : 1200

17 Sec. 18

und in **Sec. (2016)** The second section (2016)

· *****

1.1

Size Manual of the Santag

-

The state of the s

Carl and

The same of the same of

See Hurry St. John

THE STATE OF THE S

gence.

TOTAL S

1276

Saitore (n.

्र इस्टे सामे

Of course, people are more important than organizational structure.

My recent appointments include Louise Frechette, until recently Canada's deputy minister of defense, as first deputy secretary-general; Mary Robinson, former president of Ireland to lead our human rights efforts; Pino Arlacchi, a Mafia-busting senator from Italy, to head our drug- and crime-prevention programs; Klaus Topfer, German urban development minister. to direct the Environment Program; Jayantha Dhanapala of Sri Lanka, an arms control expert, who will head disarmament affairs and lead the special inspectors for presidential sites established in the Baghdad agreement.

There is a saying that all politics is

local. But increasingly, all local politics has global consequences. And those global consequences, in turn, affect the quality of local life everywhere. So a renewed parmership between the United Nations and the United States is in the interest of both. But it has to be paid for. To paraphrase what Winston Churchill said to Franklin Roosevelt: Give us the tools and we will do the job.

The New York Times.

No to Irish Terrorism

of Sinn Fein, legal political wing of the outlawed Irish Republican Army, from British-Irish talks on the future of British-ruled Northern Ireland. The Ulster Democratic Party, favoring the province's continued union with Britain, had been excluded from the talks for four weeks for three admitted murders. . Sinn Fein, which urges the province's removal to Irish rule, is now completing a 17-day suspension for the IRA's "involvement" in two execution-style killings. All parties to the talks had pledged to respect "demo-, cratic and exclusively peaceful means of resolving political issues."

It seems bizarre that political parties

deemed in murderous violation of grave commitments should be handed a punishment — brief expulsion more suitable to a schoolboy's disorderliness. The lightness of the penalty gives a premium to parties maintaining links with terrorists. Although these parties have formally forsaken violence, they remain capable of indulging in and exploiting it. The implicit threat of returning to terror in-

Everyone in Northern Ireland understands this well. Accommodation of terrorists is accepted as the unavoidable price to keep important political constituencies at the table. It is suggested that to come down hard on, for instance, Sinn Fein might prevent its leader Gerry Adams from keeping its more restless and violence-prone members in support of the talks. The hope is that the process of negotiation and compromise will somehow shrink the political space in which terrorists do their terrible deeds.

The space open for terrorists is shrinking. In all of Northern Ireland's sectarian communities, peace has a powerful following. But that is just the reason to be wary of any gratuitous accommodation of parties that maintain a terrorist link. A readiness to pay any price either to keep them in the talks or to hustle the talks toward their self-assigned May deadline can invite contempt for the democratic and peaceful principles that are the only basis for an enduring new order.

Keep On Helping Post-Communist Russia to Get Ahead

By Fred Hiatt

WASHINGTON — Like Foreign Minister Yevgeni Primakov, nuclear czar Viktor Mikhailov was a classic Soviet official who outlasted the Soviet Union - and a symbol, like Mr. Primakov, of souring U.S.-Russian relations.

The atomic energy minister clung as best he could to the secrecy and privilege that his nuclear empire had enjoyed in its Communist heyday. Last week he resigned or was fired - the uncertainty a reminder that Kremlinology, too, has out-lived the Soviet Union.

His resignation confirms what we might have come to doubt that the Soviet generation of leaders will pass, not as quickly as we expected in 1991 but soon enough.

Feelings in Washington are still raw from Russia's undermining of the U.S. position during the recent Iraq crisis. The Clinton administration cannot forever put off a decision on sanctions against the giant Rus- but complain that it is insuf- metamorphosed from low- direction that country should sian company Gazprom for its ficient. They demand to be taken ranking Soviet bureaucrat into take," notes Z. Blake Marshall, sanctions against the giant Rus-

 $R^{ ext{OME}}$ — We have consistently favored the euro as

part of progress toward a fully

integrated Europe. But we now

find ourselves increasingly con-

cerned by the inadequate atten-

ment in some European coun-

tries has averaged 11 percent

(with much higher peaks), as

against 3 percent up to the early

1970s. The resulting human and

Europe's leaders seem to

economic costs are awesome.

lack the resolve, or even an un-

derstanding, of how to deal with

it. At least this is what one infers

from the outcome of the Lux-

embourg Council session of last

November, which discussed

The claim, repeated ad

by each member country sep-

this problem.

In recent years, anemploy-

tion given to unemployment.

plunge, with the French firm Total, into the Iranian energy market. And Congress is pondering even more sweeping penalties to punish Russia for helping Iran acquire ballistic

missile technology.

Meanwhile, many in Congress are furious about Russia's new law on religion, which allows the state to favor the Orthodox Church over Baptist, Jewish and other congregations.

And the Russian Duma, as truculent and suspicious as Mr. Mikhailov, refuses to ratify the START-2 arms control treaty, although the pact is clearly in Russia's interest. That has kept chums Bill and Boris from even

scheduling their next meeting. In many cases, it is the Mikhailovs and their generation who are blocking progress in U.S.-Russian ties, and who often seem to want things both ways. They accept U.S. and IMF aid, but complain that it is insufseriously as a great power, while dealing irresponsibly with rogue regimes. They whine that U.S. private investment is insufficient, but refuse to adopt or enforce reasonable laws on taxes,

contracts or land ownership. These officials are not uncontested in Moscow, and imperialist yearning — contrary to what many Russophobes contend — is far from the only

strain in Russian policy.

Last week Mr. Primakov lashed out baselessly at Latvia's government, and the Duma again put off ratifying a treaty, signed by Boris Yeltsin, that recognizes, once and for all, Ukraine as a separate country. But for every Russian who still dreams of dominating Latvia or Ukraine, plenty more just want to do business there.

One such person is baby bil-lionaire Vladimir Potanin, who in the space of a decade has

Yes to the Euro, but Also to an Investment Plan for Jobs

one of the world's most influential businessmen, with interests in banking, oil, mining, newspapers and more. Like many of his generation,

Mr. Potanin, 37, is just now coming up for air from the post-Soviet maelstrom and checking out the world. He is forming international alliances, including with British Petroleum and the financier George Soros, and recently he came to Washington, seeking to show that not all Russian "robber barons," as they are commonly known in America, are the same.

A new Duma will be elected next year. Mr. Potanin hopes it will have a better "understanding of the modern world, of getting Russia integrated into the world." Businessmen like himself will be working toward that goal, he said.

There is no guarantee that they will succeed, of course. There's a serious debate going on within Russia about the future Business Council. He was referring principally to economics whether Russia will tie into the world or muddle along in protectionist poverty. But that decision will affect others central to U.S. concerns, including how Russia treats its neighbors.

vice president of the U.S.-Russia

As Mr. Mikhailov rides off into his atomic sunset, there is no assurance that his successor will be easier to deal with. What is certain is that plenty of Russians see the world differently than he did - and that their struggle to shape Russia's future remains unresolved

At the beginning of this decade, as the Soviet Union collapsed, it made sense for the United States to encourage those people, with aid, trade and exchanges, while hedging against an unfavorable outcome with, among other polices, NATO expansion. As the decade comes to a close, that policy still makes sense. It is too soon to write Russia off.

Don't Rush on NATO

As more members of the U.S. Senate become, possibly immobilizing the alrealize that a vote on NATO expansion liance on matters of critical importance is barreling toward them, they are un- to the United States. derstandably asking for more time to consider a decision that is likely to be among the most important they make

For all the talk about using NATO to consolidate democracy and unity in Europe, the issue before the Senate is the enlargement of a military alliance and the commitment that this carries to use American soldiers and weapons, including nuclear arms, to defend new members in Eastern Europe.

It is not a decision to be taken lightly, or made in a hurry without adequate information. Yet that is precisely what the White House and Trent Lott, the Senate majority leader, are planning. They believe that approval by twothirds of the Senate can be secured if debate is attenuated and a vote quickly called. So they have advanced the NATO decision from May to March. and it could come up this week.

On Friday, 17 senators, nine Republicans and eight Democrats, petitioned Mr. Lott to delay a vote until at least June. Their reasoning should be required reading for every senator: "We are uncomfortable voting when so many of the purposes and assumptions of NATO enlargement remain either ambiguous or contradictory."

Whether members of the Senate support or oppose the eastward extension of NATO to include Poland, Hungary and the Czech Republic, they share a responsibility to make an informed decision and to understand the military, political and financial con-

sequences of expansion.
The signers of the letter to Mr. Lott, for example, would properly like to know how far east NATO is likely to go, how much it will cost and whether NATO's now open-ended pearekeeping operations in Bosnia are a model for future engagements and entanglements. They also worry that the larger NATO gets, the more fractious it may

These and other questions have never been adequately answered by the Clinton administration. Nor has it ever made a convincing case that NATO expansion will help embed democracy in Russia, the central issue facing Europe.

Although NATO expansion has been looming, many senators have just begun to address the complexities. It seems reasonable to give them a chance to study the matter carefully before they vote. It is hard to imagine any senator, including Mr. Lott, telling voters that he or she agreed to commit American forces to the defense of Warsaw, Budapest and Prague after a few days of debate and without really knowing how much it would cost. —THE NEW YORK TIMES.

Other Comment

Excited by the Moon

A NASA probe's discovery of new evidence of water on the moon has scientists buzzing about "expanding human life" to the lunar surface. Not so fast. Indisputable evidence that there is ample water in ice crystals sprinkled near the lunar poles cannot be obtained until NASA sends another probe there.

And before any dreams of living on the moon can be realized, scientists must design and deliver equipment capable of mining the crystals at minus-280 degrees Fahrenheit and then heating them up a few hundred degrees to produce liquid water, oxy-

gen and hydrogen fuel. [Still,] former software kingpin Jim Benson is getting advice from a NASA scientist in a dead serious venture to mine minerals in space with robotized

rockets. We may laugh, but . - Los Angeles Times.

Bizarre Incentives for Zealotry

NEW YORK — Kenneth Starr's ever widening investigation of President Bill Clinton, however it may end, has many Americans worried about his prosecutorial methods. So the polls show. But the fundamental problem is not Mr. Starr. It is the Independent Counsel Act.

The prosecutor is appointed by a court that operates in secret in a process that commands little confidence. He or she has unlimited money and time. Effectively the prosecutor is accountable to no one. But the faults are far deeper.

They are compellingly analyzed by Cass R. Sunstein of the University of Chicago Law School in an article that will appear shortly in the May-June issue of The American Prospect.

The act has created "bizarre incentives," Mr. Mr. Sunstein says. The result and not just with Mr. Starr has been "drawn-out, expensive and sometimes obsessive investigations."

Ordinary prosecutors have limited funds for a large number of possible criminal investigations, so they have to choose. That combination of limited money and a wide focus is "crucial to our liberty," Mr. Sunstein writes. "If every American were fully investigated with an unlimited budget for crimes committed within the last two decades, If we think we are weaker

By Anthony Lewis

we could probably manage to put a high percentage of Americans behind bars." By contrast, an independent

counsel has a narrow focus, a target such as Mr. Clinton, and all the time and money he wants to go after it. That cre-"an incentive for ates zealotry," Mr. Sunstein writes. "After years in which your job is to investigate a single person or incident, all perspective is likely to be lost. An independent counsel who uncovers nothing will look as if he has wasted his time, not to mention millions of tax dollars."

The act creates a dangerous incentive for Congress and the press, too. That is to focus more and more on prosecuting high officials and less on solving the country's substantive problems. So the political process atrophies.

Mr. Sunstein concludes that the Independent Counsel Act is "one of the most ill-conceived pieces of legislation in the last quarter-century." Repeal it, he says, or let it die without renewal when it expires next year.

Through most of America's history, he points out, the country handled criminal be-

havior by the highest officials

without such a statutory sys-

tern of independent counsels.

now, more given to corruption. he suggests setting up an office within the Justice Department to deal with, among other things, alleged wrongdoing on high. It would have a professional staff and be largely independent, like the FBI.

'As career officials they would have no special tendency toward zealotry," Mr. Sunstein writes. "With a broader focus of work, they would have no reason to become obsessed with a single prosecution or think they would be judged a public disgrace for failing to secure an indictment,"

A similar alternative aproach was put forward in 1982 in the detailed form of a suggested statute. Victor H. Kramer, a leading Washington lawyer who was spending a year as a professor at the University of Minnesota Law School, and Louis P. Smith, a student there, described the proposal in the Minnesota Law Review.

Their idea was to have an assistant attorney general with considerable independence head the Justice Department's Public Integrity Section and investigate charges of high-level criminality. He or she would be appointed by the president, subject to Senate confirmation, and could not be a member of the president's party or a recent

holder of high office. The New York Times.

By Franco Modigliani and Giorgio La Malfa

arately, is grossly mistaken. It is er industrialized countries, inobvious that a country joining cluding some non-earo Eurothe euro automatically relinquishes all possibilities of an percent), Switzerland (5.5 per-

independent demand policy. Neither the Luxembourg document nor any previous official one has even once mentioned the most obvious tool for reducing unemployment: the

management of demand. We suspect that, on both the left and the right of the political spectrum, unemployment is now considered a calamity caused by forces beyond government control, to be borne bravely for fear of making things worse. We see no basis for this sort of resignation.

In America and Japan, unnauseam, that the problem is strictly domestic, to be handled employment is not so different from the level of the early 1970s. The same applies to othpean ones such as Norway (4

cent) and Britain (6 percent). In short two-digit unemployment is a unique feature of the core euro countries.

One is bound to suppose that this is not mere coincidence but reflects the restrictive policy that these countries have been forced to follow - a tight monetary policy led by the Bundesbank and a similarly tight fiscal policy to abide by the Maastricht parameters.

We certainly agree that the Maastricht criteria have performed a useful job in forcing governments to control their deficits. But the prolonged tightness of monetary policy was inconsistent with the tight fiscal policy and has produced a continuous erosion of private investment and of aggregate demand, resulting in growth of unemployment.

The euro countries need a plan to revive private and public investment promptly (in a coordinated fashion, so as to avert trade imbalances among them), and thus reduce unemployment while raising productivity.

The methods to achieve this goal are well known, but all euro governments, the European Commission and the European Central Bank must acknowledge full responsibility to carry out this plan. In particular, the stability pact has to be re-vised to allow economically sound public investment to be financed through public debt, subject perhaps to the super-vision of the Commission.

We see no evidence today that reducing unemployment will mean more inflation. We suggest, however, that social partners be involved in a compact aimed at ensuring price sta-bility, much as has been successfully done in Italy since 1992. This would free the monetary authorities to concentrate on the task of fulfilling the investment target.

These ideas run flatly against what one may call the euro orthodoxy according to which the sole objective of the European Central Bank should be a strong and prestigious euro. All other

objectives, including employ-ment, should be sacrificed.

We have reason to believe that many economists and govemment officials agree with us, but that they do not dare oppose the power of the orthodox establishment. Their silent hope seems to be that, once monetary union gets started, it will be easier to induce the Central Bank to give proper consideration to the problems of unemployment

Such postponement would simply keep the Bundesbank as the arbiter of Europe's monetary policy. It would be better to face the issue squarely.

EU countries have converged on the Maastricht criteria. It is now necessary for them to converge on the soul of monetary unification. Do we want a prestigious euro with high international value propped up by a tight monetary policy and relatively high rates of interest, whatever the effects on unemployment? Or do we want a Europe whose international prestige and internal social cohesion stem from its ability to cope with unemployment?

Mr. Modigliani, who received the 1985 Nobel Memorial Prize in Economic Science, is a professor emeritus at the Massachusetts Institute of Technology. Mr. La Malfa heads Italy's Republican Party and is a member of the European Parliament. They contributed this comment to the International Herald Tribune.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1898: French Artists PARIS - Nothing seems ca-

pable of arresting the tide of migration to the United States which affects Parisian artists. Within the past twelvemonth eminent portraitists have forsaken their Parisian studios. The last is Carolus-Duran. "I expect to get along without any trouble," added the artist. "Why it is the Sargents, the Coolidges, the Beckwiths and other pupils of Bonnat and myself who stand pre-eminent in the art of the United States. So although a stranger to America, I am very well acquainted with the art of the country."

1923: History Lesson

WASHINGTON — President Harding, in a letter to the president of Bowdoin College, Brunswick, Me., expresses the tory should be modified. "It menting strikes" in Austria.

would be better," says Mr. Harding, "if the teaching were given in a broader spirit and the nations of the western world regarded in their mumal relations, instead of making a separate study of each."

1948: Austrian Reds

VIENNA - Minister of Interior

Oscar Helmer said that he had ordered public safety officials to "take legal action against Communist action committees whenever they violate the law." He said that the Communists "will not be able to set up any terror system in Austria regardless of how hard they my. We have taken all steps possible to prevent a Communist coup and we shall not give in under any circumstances." Communist cells, called "action committees." have been officially accused by the government and the opinion that the teaching of his- two big Austrian parties of "fo-

to the first party of the

Position after 25 Bd4

8, Paren Byrne Real Krames 20, some series can be series of the Adams in

And Inches Towns See the Verburgan de nero like 2 c3, 3 player Signature State State 6 the state of the s Marie Charles

the simplest a sy to prevent and the stable of the stable o Aligned of the best king byther

ment of the black discussion. Miles other cheese as character The part of the control of the part of the March size appeared many like March 12 fame in 1989 in 1980 in 1980 in 1980 in 1980 in 1980 in

NONATHAN GAGE, Business and Finance Editor RENÉ BONDY, Senior Vice President and Chief Financial Officer • DIDIER BRUN, Circulation Director. International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92521 Neurilly-sur-Seine. France. Tel.: (1) 41.43.93.00. For: Subscriptions, (1) 41.43.92.10; Advertising, (1) 41.43.92.12; News, (1) 41.43.93.38. Internet address: http://www.iht.com E-Mail: iht@iht.com

Editor for Asia: Michael Richardson, 5 Canterbury Rd., Singapore 1/9800, Tel. (65) 472-7768. Fax: (65) 274-2334
Mng. Dir. Asia, Terry Damer, 30 Glaucester Rd., Hong Kong, Tel. 852-2922-1188. Fax: 852-2922-1190
Gen. Mgr. Germany: T. Schlüter, Friedrichsv. 15, 60323 Frankfurd M. Tel. 449 69971250-0. Fax: 449 69971250-20
Prex: U.S.: Ann Blaithorn, 859 Third Ive., New York, N.Y. 10022. Tel. (212) 753-3890. Fax: (212) 753-8785
U.S.: Advertising Office: 63 Long Acre, London WCZ: Tel. (717) 836-4802. Fax: (171) 240-2254
S.A.S.: au capital de 1 200.000 F. RCS Numerre B 732021126. Commission Paritaire No. 61337
61998, International Heruld Tribune: All rights reserved. ISSN: 0294-8052.

Herald Merandional Cribune

KATHARINE GRAHAM, ARTHUR OCHS SULZBERGER

Co-Chairmen of the Board KATHARINE P. DARROW, Vice Chairman

PETER C. GOLDMARK Jr., Chairman and Chief Executive Officer

RICHARD WOOLDRIDGE, President and Chief Operating Officer

MICHAEL GETLER, Executive Editor

WALTER WELLS, Managing Editor • PAUL HORVIT2, Deputy Managing Editor

• KATHERINE KNORR and CHARLES MITCHELMORE, Deputy Editors • SAMUEL ABT and

CARL CEWIRTZ, Associate Editors . ROBERT J. DONAHUE, Editor of the Editorial Pages



ssia to Get Ahe

ent Plan for Joh Facts to

100

17

22

6753

-4.5

The state of the s

2

The state

مير مير ميران

... : -2.5

......

17.

- 6 no p. . . 3

To the same

W. 7.

A Second

* × -

33

Serve. 🔻

≆826

3*** ak** > ...

全工 ...

State ...

3.7

Service Service

್ಕರ್ಷ ೧

建新 12

. 英47 (0.10)。

₹₩ ...

4500

5. 2. //

6.4

from . .

gargina III

<u> 19. ta (3</u>

Service of

de Sile de

₩ -> ·*

🚜 - Estado e 🖓

Burger Marie

(14c - - - -

A Part of the second of the se

A Sept Trans

Let by 😑 🐬

A Berthall

Apple of the second

per Arteste

A STATE OF THE STA

British my

(m. 1.20)

Marie Process

Section 2 1. 25 Table

Water Comment

Be Karani Tan

grand and

a de la constante

THE RESERVE

And And Control

24 TE

By Jim Hoagland

WASHINGTON — When the honorable former vice president of the United States sat down last week in Jakarta to chat with the venerable autocratic ruler of Indonesia, the essential message from the American side went like

Hel-lo? Are we not getting through to

For his trouble, Walter Mondale got a dose of vintage Indonesian chutzpah from President Suharto.

That is, Mr. Mondale's Big Hello fell on Mr. Suharto's deaf ear — the same one that was turned on President Bill Clinton, Prime Minister Ryutaro Hashimoto of Japan and Chancellor Helmut Kohl of Germany last month in a set of choreographed

telephone calls.
Mr. Suharto was not available for the advice each of these leaders politely gave him: Stop defying the International Monetary Fund and the American leadership that stands behind it. Get on with breaking up the network of corruption and nepotism that has landed you in such trouble. Acknowledge that no archipelago is an island in today's global economy.

Leave it to the Clinton administration to send a totally decent, fair-minded man like Walter Mondale to deliver the message that the Godfather is getting tired of being

Modest in ambition and outcome, the Mondale mission nonetheless takes Indonesia to the brink and changes the nature of the Asian financial crisis. Indonesia now risks becoming a separate, too-hard case that does not qualify for the coordinated international response to the

After months of saying that none of Asia's troubled economies could be al-

lowed to go belly-up, administration of-ficials now leave the impression that they are prepared to let Mr. Suharto's country do just that. Because of his erratic and stubborn choices of dubious policies and dubious personnel, Washington may be preparing to cut Mr. Suharto loose.

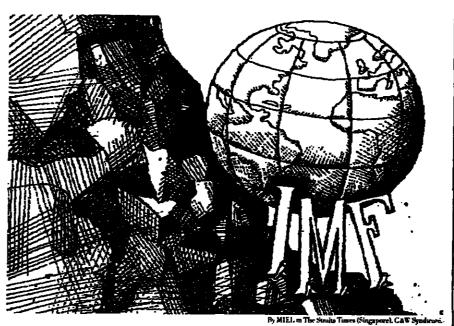
That is different from pushing him overboard, as the Reagan administration finally did with Ferdinand Marcos of the Philippines. Alas, there are problems with a Marcos solution for Mr. Suharto: While Mr. Marcos was our SOB, in the lingo Lyndon Johnson used about a dictator temporarily useful to U.S. interests, Mr. Suharto is his own SOB.

This crisis has exposed how little leverage over and knowledge of the most popous Muslim nation in the world official Washington possesses. "You could get all the Americans who truly know Indonesia into the small room at the White House where the big policy discussions are held," says one despairing policymaker. But the administration, seeming to spurn outside expertise, has been economical in opening that meeting to Indonesian

The path that perceptions of Indonesia have taken since the Asian crisis began last summer shows how imperfect outside knowledge of Indonesian conditions has been. An innocent bystander in July, In-

donesia is now the villain of the piece. At first U.S. officials thought that Indonesia was being unfairly penalized by investor overreaction to Thailand's banking problems and a fall in the value of the Thai baht. The first U.S. reactions were sympathetic: Express little concern about akarta's problems and offer small change

But the stampede of investors out of the



Indonesian market exposed the country's appalling financial conditions and set off an IMF effort to protect Indonesia's currency. That in turn exposed the growing trascibility and resistance to change and advice now manifested by the 76-year-old Mr. Suharto, due to "win" his seventh

five-year term as president this week. Shortly after the Mondale stiffing in Jakarta on Tuesday, Deputy Treasury Sec-retary Lawrence Summers indicated that the IMF would not be able to make this month's scheduled \$3 billion disbursement in the \$43 billion bailout package without a turn to "appropriate policies" in Indonesia. Mr. Summers was diplomatically indicating that Mr. Suharto's repeated flouting of IMF authority had gone too far.

It should surprise no one that Mr. Suharto does not hear what he does not

of the East Timorese population shows an imperviousness to and contempt for outside opinion that is hardly new. Mr. Suharto's government has long maintained a highly restrictive policy on visas for journalists and has been quick to bar those who report unfavorable news. This background suggests two thoughts:

want to hear. Indonesia's brutal treatment

One: Investors should use a country's openness to a free press as an important indicator of risk. Indonesia's information policies should have been a tip-off to

Two: Mr. Suharto has a right to go his own way. But not on American or IMF money. If he wants to go sleep with the financial world's fishes, we should let

The Washington Post,

This is like saying a doctor is

inconsistent because sometimes

he stanches bleeding while at other times he causes bleeding. As in

the physical world, the diseases of

the spirit are legion. In one place

there is heresy, in another in-

justice, in another rebellion, in

another greed or license or vi-

The Pope suits the remedy to

Cost of Grade Inflation: Cheapened Diplomas

By Brent Staples

NEW YORK — The economist Milton Friedman taught that superior products flourished and shabby ones died out when consumers voted emphatically with their dollars. But the truth of

MEANWHILE

the marketplace is that shabby products can do just fine if they sustain the veneer of quality while slipping downhill, as has much of higher education.

Faced with demanding consumers and stiff competition, colleges have simply issued more and more top marks, stoking grade inflation and devaluing degrees. At most American universities,

an A is the top mark a student can earn, while an F is the lowest. Grade inflation is in full gallop at every level, from struggling com-munity institutions to the elites of the Ivy League. In some cases, campuswide averages have crept up from a C just 10 years ago to Bplus today.

Some departments shower students with A's to fill poorly attended courses that might otherwise be canceled. Individual professors inflate grades after consumer-conscious administrators hound them into it. Professors at every level inflate to escape negative evaluations by students, whose opinions now figure in tenure and promotion decisions.

The most vulnerable teachers are the part-time instructors who have no job security and who now teach more than half of all college

Writing in the most recent issue of the journal Academe, two parttimers suggest that students routinely corner adjuncts, threatening to complain if they do not turn C's into A's. A professor at an Ivy League college said re-cently that if tenure disappeared. universities would be "free to sell diplomas outright." The consumer appetite for less

rigorous education is nowhere more evident than in the University of Phoenix, a for-profit school that shuns traditional scholarship and offers a curriculum so superficial that critics compare it to a drive-through restaurānt.

Two hundred colleges have all as the years go by. closed since a businessman

dreamed up Phoenix 20 years ago. Meanwhile, the institution has expanded to 60 sites around the country, and more than 40,000 students, making it the country's

largest private university.
Phoenix competes directly with the big state universities and less-er-known small colleges, all of which fear a student drain. But the elite schools also fear one another and their customers, the students, who are becoming increasingly restive about the cost of a first-tier diploma, which now exceeds \$120,000.

Faced with the prospect of crushing debt, students are treating grades as a matter of life and death - even suing to have grades revised upward.

The argument that grades are rising because students are better prepared is simply not convincing. The evidence suggests that students and parents are demanding - and getting - what they think of as their money's worth.

One way to stanch inflation is to change the way the grade-point average is calculated. Under most formulas, all courses are given equal weight, so math, science and less challenging courses have equal impact on the averages. This arrangement rewards students who gravitate to courses where high marks are generously given and punishes those who seek out math and science courses, where far fewer students get the top grade.

Valen Johnson, a Duke University statistics professor, came under heavy fire from both students and faculty when he proposed recalculating the gradepoint average to give rigorously graded courses greater weight. The student government beat back the plan with the help of teachers in the humanities, who worried that students might abandon them for other courses with greater

Other universities have expressed interest in adopting the Johnson plan, but want their names kept secret to avoid a back-

Addicted to counterfeit excellence, colleges, parents and stu-dents are unlikely to give it up. As a consequence, diplomas will become weaker and more ornament-

The New York Times

LETTERS TO THE EDITOR

Brutish Lives

Regarding "Not So Nasty, Brutish or Short: Life Keeps Looking Up" (Meanwhile, Feb. 26) by Ju-

The late Mr. Simon should have taken off his rose-colored social ills, namely the living conditions of most of the world.

And even the happy prosperous rew have their misfortunes: gluttony, crime, dependence on Prozac. Our emotional advancement has not kept up with our technological achievements.

THE ROAD TO UBAR:

Houghton Mifflin.

of Arabia."

the Arabian desert.

VICTOR OSCODAR.

Finding the Atlantis of the Sands

By Nicholas Clapp. 342 pages. \$24.

Reviewed by Michiko Kakutani

HE Koran, the Arabian Nights and

L countless Bedouin tales have re-

counted the story of a fabled city known

as "the Atlantis of the Sands," a city

hailed as "first among the lost treasuries

It was, the legend went, a magnificent

city of enormous riches and indulgence,

a city abruptly destroyed, like Sodom

and Gomorrah, by the wrath of God, and

since covered by the windswept sands of

Philby, the flamboyant Arabist, wrote:

Of the city's king, Harry St. John

No Way to Peace

Regarding "In Mideast, Don't Forget the Economy," (Commentary, Feb. 20) by Reginald Dale:

Mr. Dale suggests that the European Union suspend Israel from the Euro-Mediterranean glasses. He ignored a great many Partnership in the interest of the region's economic development and the cause of peace. That's backward, illogical thinking.

The partnership is intended to foster peace and prosperity by bringing Christians, Jews and Muslims together even as extremist Arabs seek to isolate and destroy Israel and overthrow mod-

"He had waxed wanton with his horses

and enimons and concubines in an

earthly paradise until the wrath came

upon him with the west wind and re-

duced the scene of his riotous pleasures

explorer to search in vain for this le-

gendary city, known variously as Ubar,

Wabar, Qidan and Iram. Over the years,

the explorers Bertram Thomas and Wil-

fred Thesiger, as well as a British airman

named Raymond O'Shea, all made for-

ays into the region, and a few years after

World War II, an American adventurer named Wendell Phillips put together a

Even T.E. Lawrence (Lawrence of

Arabia) was reportedly contemplating a

search for Ubar, in the days before his

death in a motorcycle accident in 1935.

team to try to find the mythical city.

Philby was apparently not the only

to ashes and desolation!'

Mr. Dale asserts that Israeli border closings after attacks by Palestinian terrorists have prevented Palestinians from benefiting from EU aid. However, the Palestinian Authority, by its own admission, has squandered and misappropriated millions of foreign aid dollars, thus losing EU and

Meanwhile, Israel is building industrial parks on its border with Gaza, attracting Israeli and Palestinian investment in joint ventures. About 80,000 Palestinian workers enter the country daily despite rising unemployment in

American trust.

The EU could better promote

peace by pressing the Palestinian Authority to combat terrorism. ROBERT KIRK. Eilat, Israel.

The Consistent Pope

Regarding "Pope's Vision for the Millennium" (Feb. 23): The writer thinks the Pope is

paradoxical because "he can sound like a progressive radical when he condemns social injustice and unbridled materialism, vet can act like a doctrinaire conservative concerning his and the church's long-held positions truth. against contraception and ordinations of women as priests.'

the need. For 20 years, and all over the world, he has been absolutely consistent and perfectly fearless in his faithful proclamation of Roman Catholic

KATÉ van SCHALIIK. Haren, Netherlands.

the ruins of a lost Arabian city in 1992, a

olence.

DO YOU LIVE IN THE UK?

• Subscribe and SAVE up to 53% off the cover price.



• Also available: PAY MONTHLY by easy, low cost, direct debit.

HAND DELIVERY IN CENTRAL LONDON & PARTS OF THE SOUTH EAST.

A cosmopolitan, comprehensive and concise newspaper delivered every day to your home or office. In Central London and parts of South East England, the International Herald Tribune offers early morning hand delivery on the day of publication, Monday through Saturday*.

Unique coverage of the world you live in, brought to you as it changes — daily.

*Monday through Friday outside Central London. Postal subscriptions are available throughout the UK on the day after publication.

For more information about easy ordering and availability of hand delivery CALL our Subscriber Customer Service Department: TOLL FREE: 00800 4 448 7827 (00800 4 IHT SUBS) or Fax: (0171) 240 34 17

E-mail: subs@iht.com - Internet: http://www.iht.com

CHESS

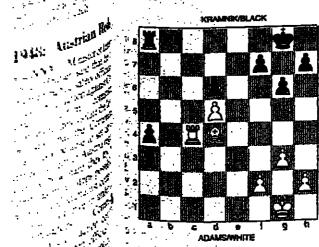
By Robert Byrne

THE fine touch Vladimir Kramnik can bring to a positional gambit can be seen in his third-round defeat of the English grandmaster Michael Adams in the Hoogoven International Tournament in Wijk-aan-Zee, the Netherlands, in January.

Adams favors quiet lines like 2 c3, 3 Bb5 and, as here, 6 g3. He is not, however, primarily a positional player; ·he just likes to begin in disguise. Since 6 g3 is considered especially tame against the Dragon Variation, Kramnik chose

6...g6.
The exchange with 7...Nd4 8 Qd4 is held to be the simplest way to prevent White from creating desirable complic-

Taking the white queen away from the diagonal of the black king bishop with 10 Qb4 is also intended to impede the development of the black queenside. But Kramnik had other ideas, as shown by his adopting the gambit with 10...a5!? Milos Gaprindashvili game in 1989 in Palma de Majorca. There, after 12 Qb7 Bc4 13 Re1 Nd7 14 Qc6, Milos said that



Position after 26 Bd4

SICILIAN DÉFENSE White Black Black Adams <u>Kramnik</u> Adams Kramnik 16 Qb8 17 Be7 Rfb8 Rb2 2 N/3 3 Nc3 18 a3 Rafi 19 Rael 20 Be4 21 Re4 Be4 Bb2 Rci 22 Rfel Bcl Raß Ba3 Bc5 23 Rcl 24 Bf6 25 Rc4 10 Qb4 11 Qb3 12 Nd5 26 Bd4 27 Bc5 28 Rc5 13 Qb7 14 ed 15 Bg5 29 Rcl BI5 Qb8

Black would have had the advantage by playing 14...Ne5! 15 Qa4 Rb8 16 Bd2 Rb2 17 Rab1 Rb1 18 Rb1 Qc7.

Adams, agreeing with Milos, at first declined the sacrifice with 12 Nd5, but after 12...a4!?, he could not resist 13 Qb7. After 13...Nd5 14 ed Bf5, the white queenside was under heavy meaning the sacrification of the sacr white queenside was under heavy pres-sure; 15 c3 would have been useless

against 15...a3! So Adams fought for the initiative with 15 Bg5. But Kramnik sacrificed another pawn with the adamant 15...Qb8!, forcing the exchange of queens into the endgame. After 16 Qb8 Rfb8 17 Be7 Rb2, Kramnik's chilling threat was to win the a2 pawn and queen

his a4 pawn. After 18 a3 Rc2, Kramnik had recovered his sacrifices and still held the

white queenside under siege.
On 21...Bb2, Adams might have tried
22 Re3, but then 22...5 23 Rfel Bd4 24
R3e2 Re2 25 Re2 Bc5 26 Ra2 Rb6 followed by 27. Rb3 wins for Kramnik. With 22...Rc1!, Kramnik killed off a

possible mating attack and thus took another step toward winning the endgame. After 26 Bd4, Kramnik reduced everything to routine with 26... Bc5! 27 Be5 de 28 Re5 a3 29 Re1 a2. Adams did not want to hang around for 30 Ra1 Kf8, when the black king devours the d5 pawn, and he gave up.

city identified in all probability as Ubar. In his book, "The Road to Ubar," Clapp sets down his account of his quixotic quest, and its improbably happy resolution. The result is a delightfully readable, if often highly speculative, volume that is part travel journal, part Walter Mittyesque daydream and part archaeological history. As Clapp tells it, his search for Ubar began one day in a Los Angeles bookshop, where he stumbled across a book called "Arabia Felix" by Bertram Thomas. Clapp and his wife, Kay, had been looking for an excuse to return to

It would be a documentary filmmaker

named Nicholas Clapp — who helped put together the expedition that found

the Arabian desert — they had recently been in Oman, doing a documentary on an endangered animal called the oryx and the book's talk of the elusive city of Ubar set the filmmaker to thinking. Clapp began to wonder whether Ubar

might be the city identified as Omanum Emporium on a map of Arabia drawn by the Alexandrian geographer Claudius Ptolemy in the second century.

Having read a newspaper story about an airborne radar system that had located some Mayan ruins, Clapp put in a call to NASA's Jet Propulsion Laboratory to ask whether the space shuttle could be used to help locate the ruins of Ubar. Amazingly enough, his call was transferred to a geologist named Ron Blom who said he would try to help. Clapp's quest to find Ubar was on its way.

On the way there would be a series of delays, dead-ends and difficulties, ranging from antenna problems with NASA radar to sandstorms in the Arabian desert to a little complication known as the Gulf war. But Clapp and the expert team he helped assemble - including Blom; Sir Ranulph Fiennes, a British explorer with close ties to the Sultan of Oman, and Juris Zarins, a specialist in Arabian archeology — persevered, using the space images they had obtained to identify ancient camel tracks, hidden beneath the desert's blowing sands.

After ruling out several possible sites for Ubar, the team found themselves back at the ruined fort that marked a small oasis known as Shisur, the fort had been described by earlier explorers like Thomas and Thesiger, but was written off as being no more than a few hundred years old. Upon closer observation, however, Clapp's team began to speculate that the fort had simply been re-built in the 1500s and that it in fact marked a far more ancient site. Under the direction of Zarins, the team began excavation, and within weeks had unearthed the wall and towers of a fortress

daring back more than 2,000 years. Although there was no way to say without reservation that the site was Ubar, says Clapp, the evidence uncovered suggests "a convincing match" for the legendary lost city: Even the legend of its destruction matched evidence that the fortress had been destroyed when the well around which it had been built collapsed into a giant sinkhole.

New York Times Service

YES, I'd like to subscribe and have my bank account

Please start my subscription and send me a bank form to arrange my payment.

PAYMENT BY CHECK OR CHEDIT CARD

YES, I'd like to subscribe and pay for the following

12 months (+ 2 months free): £210 (Saving off cover price: 36%)

debited monthly by £17.

☐ Special, 2-month trial subscription: £22

(Saving off cover price: 53%)

☐ My check is enclosed (payable to the IHT)

☐ Please charge my: ☐ Amex □ Access MasterCard Visa ☐ Eurocard Credit card charges will be made in French Francs at

current exchange rates. Card N°:_____ Signature:____

☐ Please start delivery and send invoice.

PAYMENT BY NONTHLY DIRECT DEBY: " YOUR DETAILS First Name:_____ Mailing Address: Home Business Postal Code:____ Telephone:_ E-Mail Address: Your VAT N° (Business orders only)

> screened companies. This offer expires on December 31, 1998 and is AVAİLABLE FOR NEW SUBSCRIBERS ONLY.

I got this copy of the IHT at: □ klosk □ horel □ airline □ other

I do not wish to receive information from other carefully

Return your completed coupon to: Delphine Prinselaar, International Herald Tribune. 63 Long Acre, London WC2E 9JH. Fax: (0171) 240 34 17 E-Mail: subs@iht.com UK14

READERS IN OTHER COUNTRIES CAN SUBSCRIBE BY CALLING: THE AMERICAS EUROPE, MIDDLE EAST & AFRICA Tel: +852 29 22 11 71 Fax: +852 29 22 11 99 Tel: +33 1 41 43 93 61 Tel: (USA toll free) 1-800-882-2884 Fax: +1 212 755 8785 Fax: +33 | 41 43 92 10

By Michael R. Gordon New York Times Service

MOSCOW — The United States is offering Russia the opportunity to expand its lucrative business of launching sale of missile technology to Iran, senior American officials say.

The American position has been con-veyed confidentially to the Russians and veyed confidentially to the Russians and is part of a broad effort to discourage sile, called the Shahab 3, that has a range helping Iran develop a new surface-tosurface missile.

The offer is potentially worth hundreds of millions of dollars to Russian companies and the Western companies

American intelligence experts expect Iran to flight-test the missile in the next that have formed partnerships with

Washington has long been worried

Iran. But more recently the United States has also become concerned about Iran's strong American pressure, the Russians would probably proceed."

Iran did not exist, it is something that would probably proceed."

Iran did not exist, it is something that would probably proceed."

Iran did not exist, it is something that would probably proceed." has also become concerned about Iran's strong American pressure, the Russians effort to develop missiles that could have taken a number of steps, including carry a nuclear warhead, poison gas or a new decree by President Boris Yeltsin germ weapons.

The nuclear and missile issues are on foreign satellites if it clamps down on the the agenda of this week's meetings in Washington between Vice President Al see if the Gore and Prime Minister Viktor measure. Chemomyrdin of Russia.

Russian companies and institutes from of about 800 miles (1,300 kilometers) long enough to reach Israel and Saudi Arabia and more than twice the range of a Scud missile.

year or so. Although much of the missile design is based on North Korean technology, American officials have become about Russian nuclear cooperation with increasingly worried about the flow of mosphere and makes it difficult to do. If

tightening controls on the export of mis-

sile know-how to Iran. But American officials are waiting to see if the Russians strictly enforce the

If the Russians do crack down, Washington is willing to ease limits on Russia's launching of foreign satellites. American officials say.

"This is not a carrot that is being created for this issue," said an American specialist, who like some of the others willing to discuss the issue, spoke on condition of anonymity.

'The idea of allowing more launches is something that makes commercial sense, unless something disturbs the at-

Many of the satellites launched are American, and the United States already has an agreement that permits a limited number of Russian launches.

Certainly, the easing of the limits could be a major boost for Russia's hard-strapped space program and a boon for the American companies, which have begun to join forces with the Russians in offering services to launch communications, ima-

ging and navigational satellites.

The increase of the quota is an important and necessary issue for us," Yuri Koptev, the director of the Russian space agency and the official in charge of preventing sales of missile technology to Iran, said in an interview.

"It is not only a problem for Russia, it is also in the interest of American companies. We know that on Feb. 5, the main

Charles Vick, a research analyst at the Federation of American Scientists, estimated that the cost of each satellite annch could range from \$80 million to \$100 million.

"There would be more missions, more contracts, and it would really help the U.S. balance of payments as well as provide more money for the Russian economy," Mr. Vick said of the proposed deal.

Still, given the political sensitivity of the Iran issue and uncertainty about Russia's enforcement of its new technology controls, lifting the restriction will not be quick or easy.

To encourage Moscow to act, American officials have been sharing intel-ligence with it about suspected Russian

Robert Gallucci, the former senior official who helped resolve the stalemate over North Korea's suspected mclear program, was recently appointed a special administration envoy to Russia on the missile technology issue and visited Moscow last week.

Responding to American concerns, Russia has expelled an Iranian diplomat who was trying to purchase missile technology. It has also suspended a contract between a Russian rocket engine manufacturer and Iran.

But there have been allegations that Iranian missile scientists are still being trained by the Baltic State Technical University in St. Petersburg.

And while Mr. Yeltsin ordered the tightening of export controls, the Russian bureaucracy has not always effectively carried out his orders.

They have taken a number of important steps, but the issue now is implementation." a senior American of-

Russia's recently disclosed plans to increase the number of nuclear reactors . it plans to sell to Iran have also clouded the picture.

Russian officials insist, however, that they are cracking down.
"The 13 cases which our American

colleagues have so nicely informed us of have been considered, and we have provided detailed explanations," Mr. Koptev said. "In the cases where we saw some doubtful aspects, these contacts were severed.

Both sides have been careful not to link the question of raising the space launch quota publicly with the Iran issue, though privately officials on both sides acknowledge the questions are bound together.

Mr. Koptev said the Americans had not made an "official" proposal to ease the quota on launchers in return for

Russian cooperation on Iran.
But he quickly added: "I take dinner conversations very calmly, and I don't

consider it an official discussion." The Clinton administration, for its part, appears to be concerned with avoiding the impression that it is rewarding the Russians for good behavior.

"The Russians understand a lot about the American political system and they know that some steps are easier when relations are good and harder when they aren't." an American expert said.

Lott, in Face of Criticism For Prodding Prosecutor, Decides It's Clinton's Fault

The Associated Press
WASHINGTON — The Senate majority leader. Trent Lott. who earlier urged the special prosecutor to speed up the Monica Lewinsky investigation, said Monday that President Bill Clinton should end the "stonewalling" and tell 'the whole truth'' about his relationship with the young former intern.

He also said that the administration the independent counsel. Kenneth

"I today call on the president to come has happened in these cases, particularly the Lewinsky case, 'said Senator Lott, Republican of Mississippi. "What is the whole truth? Tell that to the independent counsel, call off his attack dogs, get this behind us so that we can go on with the people's business."

Mr. Lott came under fire by the House speaker, Representative Newt Gingrich. Republican of Georgia, and other Republicans over the weekend after he said that Mr. Starr should accelerate the longrunning Whitewater investigation into having.

IRAQ: Searches at New Sites

Continued from Page 1

the long-range monitoring system that arms control experts can no longer justify a large-scale active presence in Baghdad.

Iraq, which has been allowed to sell oil in only very limited quantities for nearly eight years, is in need of the oil revenues, a former lraqi minister now in exile in Europe said in an interview. He estimates that Mr. Saddam has spent at least \$300 billion on extravagant projects since the 1970s.

In the two weeks that have passed since Mr. Annan signed an agreement with the Iraqis in Baghdad, the relationship between the United Nations and Iraq has shifted dramatically, and not to the advantage of the United States. Washington's lock on Iraqi policy in the Security Council began to weaken last fall under challenges from Mr. Saddam that were supported by Russia and in some measure by France.

This week, two new appointees are going to Iraq to establish offices that will allow Mr. Saddam's government to deal more frequently and comprehensively with Mr. Annan, bypassing the Security Council.

Prakash Shah, a former Indian dip-Iomat, will arrive in the Iraqi capital by the end of the week to set up a political liaison office for the United Nations. He carries the title of special representative of the secretary-general.
On Monday night, Jayantha Dhanap-

ala, a Sri Lankan arms control expert who was recently appointed undersecretary general for disarmament affairs. was going to Iraq to take over the process of inspections at the eight presidential sites: one in the north, two near Mr. Saddam's birthplace of Tikrit, three in Bachdad, one at a air base west of the

capital and one in the south.
Under Mr. Dhanapala's supervision, diplomats will be assigned to inspection teams at presidential sites - only one of which is a major palace - to ensure that Iraqi sensitivities are respected.

Details of how the new-style searches went to the Security Council on Monday. They provide for the selection of a pool of about 100 "senior diplomats" to be nominated this week by countries with missions in Baghdad or the region, from which no fewer than two will be assigned to every arms inspection team.

Russia was set back on one count Monday, Mr. Annan's spokesman said that the secretary-general was deferring to the Security Council on Moscow's request that Mr. Annan appoint a Russian deputy chairman of the special commission, known as Unscorn, to work beside the American deputy, Charles Duelfer.

The Security Council resolution establishing the commission mentioned only an executive chairman, a position now held by Richard Butler, who is an Australian, and a single deputy.

■ U.S. Would Consult on a Strike

The White House said Monday it expected to consult with the Security Council before any military strike if Iraq broke its pledge to grant access to UN

weapons inspectors, Reuters reported. "I would expect urgent deliberations to occur if there was any abrogation of the agreement," said the White House spokesman, Michael McCurry.

the president's private land dealings and allegations that he had an affair with Ms. Lewinsky and covered it up.

Most Republicans have tried to stay out of the fight between the White House and Mr. Starr over the methods and extent of the independent counsel's investigation.

But differences came to the surface this weekend when Mr. Lott suggested should stop its "smear tactics" against that Mr. Starr "show his cards" and wтар up the investigation. He also proposed that Congress consider a resolution to censure the president if it lacks forward, tell the American people what the evidence to move on impeachment.

On Monday, Mr. Lott told a packed Capitol meeting room that Mr. Starr "is doing a great job under very difficult circumstances.

And he criticized Mr. Clinton and the White House for hindering Mr. Starr's work with "stonewalling and smear tacties and attack methods being used by his attorneys and by his allies. Mr. Lott said he hoped Mr. Starr

would wrap up his work "sooner rather than later" because of the effect it is It is beginning to have an impact on the presidency, on the president and on his ability to deal with many very important issues for the future of our coun-

iry - from Social Security to what's going on in Iraq to now what's going on n Kosovo," Mr. Lott said. He offered few specifics about how Mr. Clinton's problems were affecting those issues but said, "I think maybe there

will replace intrusive inspections if the would have been more communication, particularly by the president himself." Mr. Lott acknowledged that during a conversation over the weekend with Mr. Gingrich, the speaker asked him, "What

was your thinking" when he called on Mr. Starr to complete his work quickly. Earlier, Senator Arlen Specter, Republican of Pennsylvania, criticized Mr. Lott's comment that Congress take the less drastic course of censuring the president if Mr. Starr cannot prove that Mr. Clinton engaged in anything illegal.

"I don't think a censure resolution would be worth a tinker's damn," Mr. Specter said Sunday. "I don't think the Congress is in the business of censuring the president," a move that would have no legal ramifications.

One option for Mr. Start, if he does not find credible evidence that Mr. Clinton obstructed justice or otherwise broke the law, is to report his findings to the House and let it decide whether to begin impeachment hearings.



ICE BLOOMS — Frozen branches gleaming in the sunlight Monday in Martinroda, Eastern Germany, after a heavy snowfall hit the area. Forecasts warn of a cold wave for Germany until the weekend.

Voyager Spacecraft Nears Limits of Sun's Influence

By Kathy Sawyer

receding dot of a sun only one fiveblack canvas.

But the spacecraft is focused on the unknown territory ahead, hurtling at the puny reach of humanity when meas-39,000 miles an hour (62,400 kilometers ured against the immensities of the cosan hour) toward so-called termination mos. It shows why, for the foreseeable shock, the uncharted zone where the future, humans have scant hope of travsun's magnetic influence ends in a collision with the interstellar wind.

Twenty-one years after leaving Earth, Voyager 1 has become the most remote human emissary in space. It is currently 6.5 billion miles (10.4 billion kilometers) from Earth in the dark, chill hinterlands of the solar system. Its radio transmissions, flashing across space at the speed of light (186,000 miles per second), take time the signal from its 20-watt radio transmitter reaches NASA's network of deep-space tracking antennas around the globe, it is 20 billion times weaker than the power of a digital watch battery.

frontier beyond the sun's influence.

Earth. The orbiting planets would be so ministration's Jet Propulsion Laboratory many pinpricks dispersed across a vast in Pasadena, California. site of interstellar mission control.

Voyager's odyssey vividly illustrates eling to any other star, even the very

nearest, except in their imaginations. Proxima Centauri, the sun's nearest neighbor, is a measly four light years, or just over 23 trillion miles, away. But it will take Voyager more than 80,000 years to cross such a distance. In fact, scientists estimate, it will take perhaps 40,000 years just to pass beyond the outermost comets, bits of icy debris held almost 10 hours to reach Earth. By the in orbit by the last weak traces of the

sun's gravity.
Nevertheless, on the remote chance that Voyager might encounter extraterrestrial intelligence on its long sail toe power of a digital watch battery. ward infinity, scientists in the 1970s ing through water, the sun and planets In a few years, scientists expect Voyager outfitted it with a time capsule described travel through space inside a magnetized

I to become the first human-made object by the author and scientist Carl Sagan as bubble called the heliosphere, This ever to push its way into the interstellar a "bottle into the cosmic ocean," carrying the story of Earth.

WASHINGTON — If the Voyager 1 "The fact that the spacecraft is still Recorded on a gold-plated copper subatomic particles emitted by the sun space probe should glance over its returning data is a remarkable technical disk are sounds (thunder, crickets, ocean and traveling outward in all directions at shoulder toward home, it would see the achievement." said Edward Stone, a surf, a mother's kiss), images (cell di- velocities up to 1 million of 2 million Voyager-project scientist and director of vision, human anatomy) and greetings in miles per hour. thousandth as bright as it looks from the National Aeronautics and Space Ad- 55 languages. There is music, from Chuck Berry to Bach.

operate in the deep cold so far from the decay of plutonium-238 to electricity. Onboard fault protection computer software enables the craft, in emergencies, to place itself in a safe state quickly and handle various emergencies without in-

tervention by humans. Voyager 2 took a different path and is about 5.1 billion miles from Earth.

Instruments on both Voyager craft have sent tantalizing hints that the next big event of the mission is about to begin. They have sensed changes in their environment that scientists believe herald the fringes of the outer boundary of the sun's magnetic field, known as the

Like inhabitants of a submarine mov-

bubble is created by the solar wind, a continuous flow of electrically charged

The walls of the bubble form when the solar wind eventually runs into an oi The craft, launched from Cape posing pressure in the larger medium Canaveral on Sept. 5, 1977, is able to through which it is moving. This opposition is thought to come primarily sun because of nuclear batteries, which from the interstellar wind, emitted by convert heat from the natural radioactive exploding stars and in other events. which fills much of the space between the stars like a patchy, electrically

charged fog.
When these two realms clash, the solar wind is suddenly slowed and deflected, creating the boundary known as the termination shock zone. Space physicists have waited eagerly for their first crack at studying this mysterious borderland, its exact location, particles,

temperatures and turbulence.
The data coming back from Voyager now suggest that we may pass through the termination shock in the next three to five years," Mr. Stone said. Voyager is expected to sail unharmed through the boundary layers with ing through water, the sun and planets enough electricity and propellant to keep it operating until about 2020.

MIGRATE: Young French Flock to Britain

whom the British model abandons, while the British argue that state subsidies bank-

rupt government and stifle initiative.
As for Ashford, it is the first stop of the four-year-old Channel Tunnel passenger train in England, making it just an hour from Lille in northern France as well as from London and less than two hours from Paris.

"Kent is very happy to be seen as a European county," said Alexander Bruce-Lockhart, leader of the county council.

perverse pleasure of being the beneficiaries of a process embraced by French national policy and officially feared by - the free movement of capital and labor across European borders.

French businesses have either moved to England or committed to a transfer, and more than 100 others have made what officials here call "serious inquiries."

year-old Parisian who founded Info-Elec, a company making art work for circuit boards, in 1982, brought it to Ashford last year and became a self-appointed

Anglophile after visiting a booth at a trade fair in 1996 and seeing that a British company was making the same

in France must pay tax, pension, unemployment and social security charges of up to 48 percent, a businessman in England pays at most 10.3 percent. He found out about the differences in vacation entitlements, the flexibility available to the English employer to hire and fire, and the absence of any minimum

tain, but also to create a network here to help other French businessmen relocate and to broadcast in the French press how smitten he was by the Anglo-Saxons.

tional Hebdo.

"To be competitive, we must all emigrate to the United Kingdom," the headline read. Another in the weekly L'Evenement du Jeudi said, "Paradise is just at the other end of the tunnel."

propagandist for the Anglo-Saxon way. terprise," a title inspired by Charles de He became a defiant bottom-line Gaulle's wartime London exile with the



now tries to persuade other French companies to relocate to Britain.

added reference to entrepreneurship. The group has now signed up 420 members — French businessmen either contemplating a move across the channel or eager to learn about its advantages. In September, Mr. Cadic was host of a conference promoting relocation to Britain that attracted 150 businessmen, and he regularly gives interviews to French television and newspapers in an effort to combat what he contends is a

you'd better be in great health and rich because you'll have no insurance and you'll have to pay for your children's education," Mr. Cadic said, "and I tell them, 'What do you think, everybody over here is just dying in the streets?'

In fact, he said, all his French em-

ployees are enrolled in the National Health Service and it took them less time to get their cards than it would to get the same document in France.

days into his job and hustled over to Ashford to see for himself.

Mr. Ashmead is pursuing a cooperative venture with the French that illustrates how regions can sometimes outdistance nations in achieving common cross-border purpose. Kent and its counterpart on the French side, Nord Pas-de-Calais, market themselves to Asian investors as a single region.

Of the 14 businesses that transferred to England in 1997, five came to Kent, and Mr. Ashmead expects more than half of the "30 plus" who are committed to coming this year to end up in the county.

attracted to the British market - the most advanced in Europe - and others are in activities like warehousing and freight. mail-order shopping, financial services, tourism, cosmetics and insurance. No one at the striped-suit headquar-

ters of Locate in Kent counted on Mr. Cadic and his guerrilla tactics.

GERMANY: Kohl Faults Greens

Continued from Page 1

Wolfgang Schaueble, has vowed to focus his campaign on Mr. Schroeder's ambiguous policies and the perils of

Mr. Schroeder, who government.

Mr. Schroeder, who governed Lower
Saxony from 1990 to 1994 in tandem
with the Greens, said the ecologyminded party would probably emerge after the September elections as the most likely ruling partners for the Social Democrats. He praised Joschka Fischer, the Greens' eloquent parliamentary leader, as a "smart strategic thinker," who he believed "would make a good foreign minister" in a Red-Green gov-

Mr. Fischer has been striving to lure the Greens toward moderate policies to prove their maturity and readiness to serve in government. But he and other members of the "realist" wing were rebuffed at the party congress when pacifist "fundamentalists" won a foreign policy motion rejecting Germany's par-ticipation in the NATO-led peacekeep-

ing mission in Bosnia. This is not a great start for our election campaign," a disappointed Mr. Fischer said. "We are standing there looking divided after the compromise on

foreign policies was defeated." Mr. Kohl, a seasoned campaigner who relishes making political comebacks, pounced on the Greens party platform with alacrity. He deplored what he called the recklessness of the Greens' positions, which he said would destroy the foreign and security policies established by his center-right

government. "We would be throwing away all the confidence in Germany that we have acquired in the international community over the past decades," Mr. Kohl said "Peace and freedom for Germany do not come without a price."

equir and panis

Continued from Page 1

The residents of Kent are savoring the .

In just the last 15 months, nearly 50

Leading the procession across the channel has been Olivier Cadic, a 35-

components he was for half the price. He learned that whereas an employer

wage on this side of the Channel. He decided not only to move to Bri-

A month later, the first of the many articles that would appear showed up in the trade journal Electronique Interna-

Once here he established an association called La France Libre ... D'Entreprendre, or "Free France, Free En-

Fahd Hospitalized in Critical Condition

The Associated Press

DUBAI, United Arab Emirates King Fahd of Saudi Arabia was in

der infection, hospital officials said. monitoring the condition of Fahd, who short-term memory loss.

remove his gall bladder, the officials

King Fahd's health has been the critical condition Monday and might source of much speculation since he have to undergo surgery after being suffered a stroke in November 1995 hospitalized in Riyadh with a gall blad- and temporarily handed the reigns and temporarily handed the reigns over to Crown Prince Abdullah two An American medical team was months later. The stroke left him with

is in his mid-70s. They were expected to decide Monday night whether to from diabetes and arthritis. The king has suffered for years

Olivier Cadic, who moved his computer business to Ashford, England,

disinformation campaign back home.
"They say that if you go to England,

At the West Malling offices of Locate in Kent, a marketing organization that encourages foreign investment in the in public and say those things," Mr. county, Robert Ashmead, a former London banker who is the chief executive. he can say the things I can't."

said he learned about Mr. Cadic two

Many are high-technology companies

"To have a French national stand up



Giorgio Armani's mohair pants with soft top.



A fur-trimmed top and folklore skirt from Marni.



Alberta Ferretti's trend-driven



Chase-pier Moure Andrea Therese Nordic sweater and pants from Victor Alfaro.

Milan's Gray Symbolizes A Soggy Fall An Armani Burst

By Suzy Menkes

ILAN — The most significant show of the Italian fashion week was not even on the runway. It was "A Noir," an exploration of black textures, volumes and silhouettes - in fashion and modern art.

The exhibition at La Triennale di Milano (until April 12) includes avant-garde artists like the Chapman brothers and Damien Hirst, the photo-artist Cindy Sherman and the fashion designers from Comme des Garcons, through Prada and Yohji Yamamoto. Conceived by Franca Sozzani, editor of Italian Vogue, the imaginatively curated show proved that noncolor can be visually inspiring.

Well it wasn't like that when the felted gray flannel hit the Milan runways. After the umpteenth long-line dress, ankle-skimming skirt and coat, the color, and its dense texture, seemed symbolic of the dullness of the fall season.

Into this gloomy arena, Giorgio Armani threw down a scarlet gauntlet. He used lacquer-red for a cocoon shoulder wrap, a kimono coat and even for his traditionally gray invitation.

'I don't want to be known for always following the same path - I want to show anklelength skirts and to introduce color," the designer said before a show, which opened with marshamallow pink and then kept blushing bright red. After the fiery finale of glam evening gowns, Armani even joked backstage: "It's Valentino red," referring to his fellow designer's signature scarlet.

Armani's style has so marked the second half of 20th-century fashion that his name has entered the language to describe supple, modernist tailoring in running-water colors. Any change therefore has to be within his own aesthetic.

But the brightness was jarring and emphasized how unsure the collection appeared. In a bid to feminize the man-for-woman look, the silhouette had gone from soft to soggy and the textures of velvet and cobweb knit seemed fuzzy.

Knitted pants (think flecked mohair) looked like comfort blankets for women who had given up on the gym. With hair screwed into a scruffy French pleat, flat crepe-soled shoes and the dominant color the gray-green of an angry sea, the impression was drab.

But there was Color. And Pattern. Occasionally it worked, like the long shearling coats with python markings that opened the show, or red hose peeping from under a long pin-striped coat dress. But the sock-it-to-'em scarlet and a pair of après-ski-style sweaters with checks and sparkles

were eye-popping. Even gentler mixes of shell pink, gray and pale blue seemed awkward.

The collection was fine, if predictable, when Armani was being himself, from jackets Nehru-collared or side-wrapped through the soft coats and sequinned (heads up, it's Oscar time!) dresses. The long skirts with one pocket at the rear were standard Milan fodder

While the designer caught a romantic new spirit in the January men's collection, he did not work the same magic for women. Maybe in the Emporio line, to be shown in Paris for the first time Wednesday, Armani will come up trumps.

Milan fashion desperately needs new designers with original points of view. And one has popped up. The ethnic-romamic mix of sizzling pink velvet patchwork skirt, with goat-hair trimming on a pepper-and-salt tweed coat, not to mention Mongolian lamb boots, made a lively show from Marni, once a conventional fur house.

Consuelo Castiglioni, who married into the family, thinks hippie de luxe, so she wove fur and fabric into magic carpets of texture and color. Keeping the silhouettes simple, but daring to be different, Marni's show was a high point in a dull week.

Alberta Ferretti expresses an aspect of Italian fashion — wearable, pretty and ultra-feminine, and with delicate handwork. But this season's collection was trend-driven, overwhelmed by the long skirts, which should be just one option. If you want an ankle-length coat, Ferretti's were well-executed, shaped with raised seams, decorated with

open-work and cut to focus on the back waist.

The (long) dresses had the same attention to fine detail, like herringbone seaming at the back. Inevitably, there were also shrouds of talle and embroidery scattered like confetti over all the shows.

T was the sameness that seemed so re-T was the sameness that seemed so relentless, as though the fabric mills push certain products. The American designer Victor Alfaro was on the same wave-length: muesli-textured tweeds with sparkle effects; square-cut felted jackets; that long skirt. But he added a fresher, sporty feel with vivid fjord-blue, outdoor sweaters and some poncho capes. Antonio Fusco insists on showing on the punyay what should be touched and stroked to

runway what should be touched and stroked to appreciate. The top-quality fabrics speak for themselves, and don't need to be made into skirts split to the thigh to catch the camera.

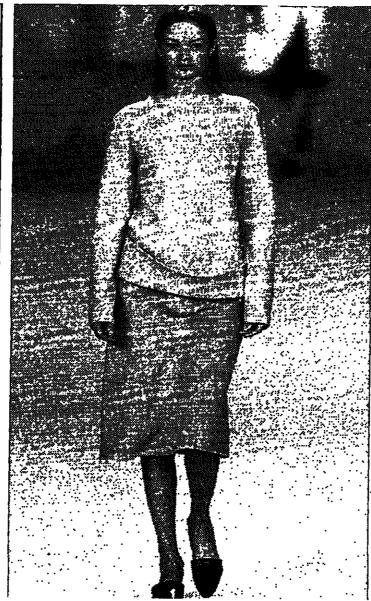
Rebecca Moses was smart enough to stage a still-life presentation of her woman-friendly clothes, which include signature cashmeres in refreshing colors like greens from absinthe, through lime, jade and moss. Her travel theme, with cute painted backdrops, made light work of easy clothes.

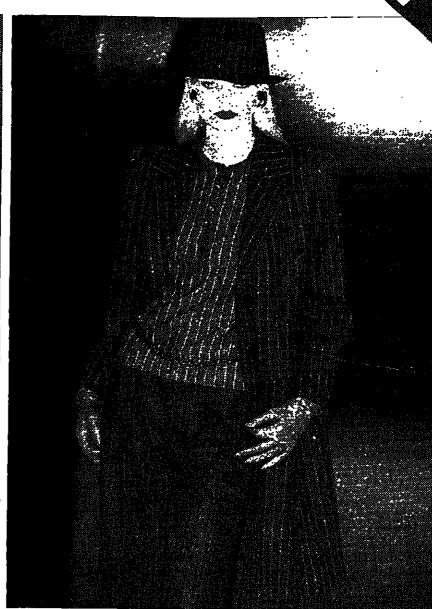
Painted toy chariots animated the display of D&G, the secondary line of Dolce & Gabbana. The merry collection drew on the designers Sicilian roots and prints inspired by the medieval Palio. It also included high tech modernity, like jackets in lacquered flamel, press-stud fastenings and stretch for everything.

Medieval was the one off-beat theme of the

shows, from Gianfranco Ferre's Joan of Arc, through Ferretti's high-waist dresses and a general trend for gunmetal chain-mail knits. Where has this sprung from? It seems to be a new Gothic revival, set off by the seminal exhibition of Victorian Fairy Paintings in London and another Pre-Raphaelite art show. There is also a

return of Goths on the European club scene. If Milan's designers could only absorb more creative inspirations, the fine Italian product would have an edge.





Louis Vuitton's sweater and skirt, left, designed by Marc Jacobs, and Yves Saint Laurent's pin-striped coat and knit.

In Paris, Vuitton's Modernist Canvas

By Suzy Menkes

ARIS — In black sweater, black shorts and a dizzying length of leg above plat-form-soled shoes, Beatrice Dalle smoldered from the front row at Louis Vuitton's first runway show Monday.

What did the French actress think of the pure, plain clothes, devoid of any identifying logo, that the hip American designer Marc Jacobs had sent out to open the Paris hips, elongated elbow patches fall season? hips, elongated elbow patches or a row of wrist buttons. fall season?

A deep drag on a cigarette.
A heavy-lidded gaze.
"Well it didn't add up to
very much," Dalle said.

Where were all those great bags I saw in the new boutique?" Jacobs's decision to invent

Louis Vuitton clothes as a modernist canvas against which the house's signature accessories might shine, is understandable — if a bit near the naked truth about a line that will be sold only in Vuitton stores and is a motor for accessory sales.

As Bernard Amault, the company boss put it: "This is different from John Galliano at Dior, because Dior is a cou-ture house and Vuitton is

about leather goods." The collection was modern

fabrics with a play on textures of rubberized cotton coat against cashmere pants, or shiny silk skirt and glossy leather. And don't say it was all black, white and gray! There were at least six pieces in bark brown, moss green or

The knee-length skirts were even inventive, with their parachute seams or horizontal panels. Delicate details, almost lost in the vast hangar of a show space, included sweater welts rolled back at the

berry red.

The problem with the collection --- understandable as a skirts, the square shirt jackets template. and T-tops were just another version of the familiar min-

inated 1990s fashion.

The shoes were cute — esmedieval court slippers. The When we get to see them in Vuitton's spanking new Champs-Elysees store.

Yves Saint Laurent was the designer who famously said that all a woman needed was a sweater and a pair of pants. and deceptively simple, because it was worked in luxury signer invent?

The Governing Board of

The American Women's Group in Paris cordially invites you to our

49th Annual Scholarship Fundraiser featuring the Spring collection of

Guy Laroche

Monte-Carlo Night

Champagne Cocktail Four Course Dinner

Casino with Open Bar

Tombola

Saturday, March 28, 1998 at 7:00 p.m.

Saint Laurent, his arm in a on a tide of hip or hype. sling and grimacing with pain over the shoulder he broke last week, took a brief bow after his salon show.

make-up effects, and no references to the Beat gensound but the motorized eration. They came as new show was a timely reminder square-cut duffel coat and the of the power of truly creative all-in-one, mixed with imadesign and of how much new ginatively cut short skirts to generation designers owe to make a cute collection. Saint Laurent's inventions of 30 years ago.

FRE is the original of Alexander Mc-Queen's sleek allin-ones: first shot — is that Jacobs had overalls thrown a female not expressed the soul of curve. Any designer who Vuitton - a synonym for lux- sends out a mannish jacket or ury travel from steamer to a pin-striped suit has Saint Concorde. The sweaters and Laurent's sharp tailoring as a

The designer is no longer inventing, but still refining imalist vision from Helmut his signature looks. He has a Lang and Prada that has dom-way of tweaking the classics effortlessly, by turning a tuxedo dress around so that pecially bronze mules like the front is demure and the lapels plunge at the back. Or bags are probably terrific too. by color mixes: a cranberry wrap-jacket with purple pants; marmalade suede

> A Chinese coolie jacket lined in exotic red? Tac. A sliver of lingerie lace? Tac. A trumpet-sleeved mediaeval gown? Tac. You don't get to celebrate 40 years in fashion

With the Paris season dom-A fresh collection from inated by young designers Eric Bergere proved what a taking over at established rich mine Saint Laurent has houses, from Martin Margiela left to plunder. Bergere's col- at Hermes through the new With no cool styling or lection of easy pieces had sly names at Balmain and Lanvin, the shows are sizzling.

Also on the agenda — but : whire of the cameras, the takes on black leather, the not on the official calendar are a slew of irreverent designers who are helping to set off a fashion youthquake for

KAZAKHSTAN INVESTMENT SUMMIT

Almaty, June 4-5, 1998

If you are interested in Kazakhstan's wide array of investment opportunities, the International Herald Tribune's Kazakhstan Investment Summit will give you valuable insights and an inside edge.

H.E. President Nursultan Nazarbayev will give a keynote address at the Summit.

Other speakers will include key members of Kazakhstan's national and regional governments, as well as financial, business and political leaders from around the

> The lead Summit Sponsor is Hurricane Hydrocarbons Ltd.



For further information, please contact: Ursula Lewis International Herald Tribune, 63 Long Acre, London WC2E 9JH Tel: (44 171) 420 0309 Fax: (44 171) 836 0717 E-mail: ulewis@iht.com



Salons Hoche 9, avenue Hoche, Paris 8 Valet Parking

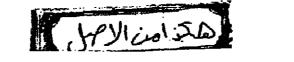
All proceeds from this evening go to the American Women's Group in Paris Scholarship Fund

750 FF per person R.S.V.P.

Black Tie Optional

01.47.55.87.50

Clobs





Global markets, global communications, global technologies... the trend seems to be to globalize pretty well everything.

So how on earth do you keep on top of daily developments? Through the global eyes of the International Herald Tribune.

THE WORLD'S DAILY NEWSPAPER

12 Month High Low Stock

NYSE

DIV YILI PE 1005 Hilgh Law Latest Cirge

Monday's 4 P.M. Close The 2,600 most traded stocks of the day. Maticawide prices not reflecting late trades elsewh

12 Month High Low Stock

| Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description | Description |

| 107% | 77% | MALF WIND | 90 2.3 | 8 | 1998 2794 | 2 | 107% | 77% | MALF WIND | 9 | 171 | 84% | 2794 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127 | 127

Div YIC PE 1005 High LawLatest Cirgo

12 Month High Low Stock

77% - 10 34% - 10 34% - 10 17% - 10 17% - 10 15% -

Continued on Page 25

Generale d

hed Elsevier

CURR

Man Values

一年時間 多年級 计连接设施 液原

Service Servic Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correct
Correc TUESDAY, MARCH 10, 1998

Jean-Marie Messier, left, the chairman of Generale des Eaux, with Eric Licoys of Havas on Monday.

Generale des Eaux to Take Over Hayas

Deal Helps French Utility Gain Focus on Media and Telecommunications

By John Tagliabue New York Times Service

Generale des Eaux SA, the big French unlity, said Monday that it was merging with Havas SA, the French media group, after acquiring the 70 percent of Havas it did not previously control.

The deal pushes Generale further down the path toward transforming itself from a scattershot conglomerate into a focused industrial concern with a major stake in telecommunications.

The announcement, made after translation service for foreign news dispatches and grew into France's largest media group. It owns a one-third share of Canal Plus, Europe's largest payIn the early 1990s, Generale had

for-view television network. The merger was expected after Gen-

for the 70 percent. For Generale and its chairman, Jean-Cegetel, which is creating an altern- own in television companies.

ative phone system to compete with France Telecom.

Mr. Messier has often outlined his vision for a group, within which distribution companies like Cegetel and Canal Plus would avail themselves of the editorial content of Havas publications, which include the Gault-Millau food guides, the Larousse series of dictionaries and encyclopedias, and such news publications as the French weekly, L'Express, to develop on-line information services.

At the same time, the companies board meetings of both companies in announced that Eric Licoys, a close recent Generale share prices. In ad-Paris, ends the 163-year independent associate of Mr. Messier, will become dition, the group said it would sell history of Havas, which began as a chief executive officer of Havas, succeeding Pierre Dauzier, who will step down after 12 years, further cementing

taken a minority share in Havas, which Mr. Messier expanded early last year to circulated in Paris, driving up the votes to push through the merger. To Havas share price, and details of the sweeten the pill for minority stock deal were published Monday in ad- owners, Generale agreed to pay a cash vance of the board meeting by the Paris premium of 61 French francs (\$10), in financial daily Les Echos. Generale is addition to the annual dividend of 46 paying the equivalent of \$5.6 billion francs. The companies said the action would cost it 8.7 billion francs.

A further obstacle to the merger fell Marie Messier, 41, who took the reins in January, when the French governof the group two years ago, the move ment caved in to lobbying by media clears the path for the formation of a groups and dropped plans to restrict the telephone and telecommunications entity that will include Havas as well as for public contracts, like Generale, can

Analysts said the main features of the announcement had been expected, and were in line with Generale's development plans.

'In strategic terms, it makes a lot of sense," said Pierre Coiffet of Paribas Capital Markets in Paris.

The announcement said that Havas shareholders would receive two Generale shares for five Havas shares, after the distribution of the premium. To finance the deal, Generale said it will issue 23.2 million shares, which would raise 23.5 billion francs, calculated at holding company and Havas Voyage, a travel agency.

The statement Monday said the merger would enable Generale to give final form to a "communications axis" within the group, conerale confirmed in February that it was a one-third holding. With the aid of sisting of Havas, a wholly owned in negotiations to acquire the outstand- allied shareholders, and against the bit- subsidiary in which media and pubing Havas shares. In recent days, ru- ter resistance of minority holders, he lishing interests would be concenmors of an impending decision had was able to muster sufficient board trated; Cegetel, of which Generale owns 40 percent, for telephone activities; and Canal Plus, of which

Generale owns 34 percent.
Generale also said Monday that its net profit in 1997 totaled 5.4 billion francs (\$879 million) because of higher earnings in building and environmental services, up 177 percent from earnings of 1.95 billion a year ago. In 1996, Generale incurred a loss of 3.69 billion.

Trading in Generale des Eaux and Havas shares was suspended Monday. Generale des Eaux closed Friday at 1,012 francs and Havas at 503.

U.S. Threatens Defense Megadeal

Regulators 'Fundamentally Oppose' Lockheed Acquisition of Northrop

Compiled by Our Staff From Dispatches

WASHINGTON — Lockheed Martin Corp. said Monday that the Justice Department was "fundamentally op-posed" to the U.S. company's \$12 billion takeover of Northrop Corp. and might sue to block the deal if Lockheed does not agree to divest assets it does not want to sell.

Justice and the Defense Department have been reviewing the deal, which would leave just three major defense companies. A Lockheed-Northrop combination would sharply limit competition in several key areas of defense electronics, and experts have said the government would require divestitures ranging from \$200 million to \$500 million. The Pentagon said it had "serious

concerns" about the deal as well. An antitrust lawsuit would be the first serious challenge to one of the megamergers that have reshaped the defense in-dustry since 1995, when Lockheed Corp.

and Martin Marietta Corp. combined. After a six-hour meeting that broke up at midnight Monday, Lockheed and Northrop issued a joint statement saying that the Justice Department's antitrust if needed, they would "vigorously oppose" in court any government lawsuit challenging the acquisition.

We continue to believe that significant savings of \$1 billion a year are available from the merger, the majority of which will accrue to our government customers," said the chief executive of Lockheed, Vance Coffman, and the chairman of Northrop, Kent Kresa. Meetings continued through the day,

and the companies have agreed not to close the transaction before March 24. The deal needs approval from both the Justice and Defense departments. The Défense Department reviews all defense-related mergers. 'Our goal is to ensure competition

and innovation and that's what we're working toward in our discussions," said Michael Gordan, a Justice Department spokesman. Northrop shares plunged \$20.625 to \$117 in New York, while Lockheed

shares rose 31.25 cents to \$115.50, after trading lower most of the day.

Justice and Defense officials are pressing Lockheed to agree to divestit-

concerns had not been resolved and that, ures that would increase competition in a variety of areas, including surveillance radar and missile-detection equipment, said people familiar with the ne-

> Last month, Lockheed and Northrop shareholders approved the transaction, announced last July. The combined company would have more than \$37 billion in annual revenue.

Neither the Justice Department nor the Federal Trade Commission tried to stop any of the previous big combinations. Instead, antitrust enforcers often opted for targeted divestitures of certain technology or requiring that various company units operate independently to ensure competitive bidding for defense

In both of the last two defense combinations that the Justice Department reviewed — Raytheon Co.'s purchases General Motors Corp.'s Hughes Electronics and the defense operations of Texas Instruments Inc. — it sought small targeted divestitures.

Still, both the chief Justice Depart-See LOCKHEED, Page 16

A Texan Stands Out Among Chip Firms

By Allen R. Myerson
New York Times Service

DALLAS — Thomas Engibous, chief executive of Texas Instruments Inc., wasted no time in putting an upbeat chip industry forecast delivered by his economist, Vladi Catto, in perspective.

"I'm always encouraged by what Vladi says," Mr. Engibous said at his company's annual conference on Thursday. "But judging by what the market says, I'm the only one who is."

He was alluding to the 12.5 percent plunge in Intel Corp 's stock price that day on a gloomy earnings outlook issued the day before and to the 3.75 percent decline in his company's shares,

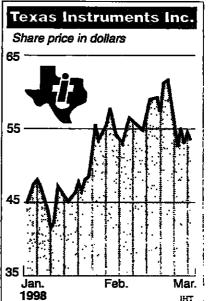
Texas Instruments shares crawled back on Friday but closed Monday at

\$53, down \$1.50.
Unlike Intel, Texas Instruments is becoming less attached to the personal computer industry.

Today, the largest customers for the company's chips are telecommunications equipment manufacturers such as Nokia Group and LM Ericsson AB.

Mr. Engibous, 43, has bet the company's future on specialized chips called digital-signal processors. These chips are finding rapidly growing markets ranging from cellular telephones. computer networking equipment and cars to talking dolls and precision

Mr. Engibous has also sold off parts of the company. The military electronics business went to Raytheon Co., the laptop computer business to Acer Inc. For investors willing to differentiate omist, predicted the semiconductor in-



among semiconductor stocks, Texas Instruments appears to be better poised to resist the industry's afflictions.

Over recent months, analysis have been trimming their first-quarter earnings estimates to less than 50 cents a share from 66 cents a year earlier. They cite the financial turmoil in Asia and slower growth in demand from U.S. customers in businesses including personal computers. The company's shortterm outlook accounts for a decline in its stock from a peak of \$71.25 on Oct.

But Mr. Catto, the company econ-

dustry would see sales growth rise to 10 percent this year from just 4 percent last year, when sales were hurt by a sharp drop in memory chip prices. He predicted sales growth of between 20 per-cent and 35 percent for next year, as memory chip prices recover and Asia rebounds.

Analysts and investors have been pressing Texas Instruments to unload its memory-chip business, a steady moneyloser that even in good times remains highly volatile. Mr. Engibous refuses to make any promises. But he has abandoned the strategy of sharing the memory-chip risks through joint ventures, recently selling the company's interest in a partnership with Acer Inc. of Taiwan and ending the Twin Star joint venture with Hitachi Corp. of Japan. The Twin Star plant, near Dallas, could be converted to making digital signal processors. These chips translate inputs such as sound and light into the ones and zeros of digital signals in products such as cellular phones and camcorders.

The growth in sales of these chips has consistently exceeded 30 percent. Texas Instruments, which controls about half the market, has seen its sales of the chips grow even more rapidly.

Texas Instruments argues that it deserves better treatment from investors than they are giving Intel, and some

analysts agree.
There has been a lot of money in Intel that will be looking for another home." said Michael Gumport of Lehman Brothers Inc. "The Texas Instruments story is much more compel-

"The floodgates are open. Anybody can preannounce without embarrass-

ment after Intel, Motorola and Com-

paq," said Duane Eatherly, technology analyst at Banc One Investment Ad-

Reed Elsevier Abandons Takeover of Rival

Compiled by Our Stoff From Disputches AMSTERDAM - The British-Dutch publisher Reed Elsevier said Monday it had abandoned a planned \$9 billion takeover of a Dutch rival, Wolters Kluwer NV, because conditions expected from regulators would have diminished the advantages of combining their operations.

A Wolters Kluwer spokesman said that regulatory authorities in Europe and the United States had been expected to insist that the company divest some of its activities, which would have threatened Wolters Kluwers's target for annual growth this year and next.

Expected divestments due to antitrust regulations could have resulted in less than 15 percent EPS growth from 1997 to 1999," the spokesman said. Wolters Kluwer said that because of

the expected regulatory problems it had asked Reed International PLC and Elsevier NV, the Dutch and British parents of Reed Elsevier, to renegotiate the terms of the merger.
"Elsevier and Reed International are

of the opinion that the important changes to the merger conditions deemed necessary by Wolters Kluwer would be unattractive to shareholders of Elsevier and Reed International," Wolters Kluwer said

No further details on the breakdown of the merger were provided, but a European Commission source said that if regulatory authorities were to blame they were in the United States rather than in the European Union. "I'm not aware that the problems posed were insurmountable, the source said, adding that if a regulative difficulty were decisive it percent.

CURRENCY & INTEREST RATES

"must have been in the States." The merger would have created the world's largest publisher of professional and trade journals, with estimated combined 1997 revenue of \$8 billion and a stock market capitalization of \$30 billion. Rivals marketing their products through Reed's U.S.-based Lexis-Nexis database had expressed concerns that their contracts could be terminated in favor of Wolters products, the European

Commission source said. Shares of Wolters Kluwer jumped as much as 12.3 guilders (\$5.95), to a high of 319.3, but fell back later in the day and closed at 303.10 guilders, down 1.3 percent. Shares of Elsevier closed at 34.50 guilders, down 8.2 percent, while Reed International shares closed in London at 621 pence (\$10.12), down 7.7 (Bloomberg, Reuters)

Like Intel and Motorola, Compaq Has Bad News

Bloomberg News
NEW YORK — Compaq Computer
Corp. shares fell as much as 11 percent Monday, and other technology compa-nies dropped after the No. 1 personal computer maker warned that too much inventory and price cuts would wipe out

first-quarter profit. The technology-heavy Nasdaq Composite Index closed at 1,725.16, down 28.33, pulled lower by such industry bellwethers as Dell Computer and Microsoft. The broader Dow Jones industrial average finished at 8,567.14, down

2.25 points. Compaq warned Friday after the stock market closed that it would "roughly" break even for the quarter. while analysts were expecting earnings of 35 cents.

With its warning, Compaq joins Intel Corp. and Motorola Inc. in what may be a parade of technology companies bearing bad news. Both companies warned last week of lower profits for the quarter on declining sales.

visors, referring to their forecasts. If such dominant companies are struggling, others surely are as well, investors said.

"There's going to be a lot more of these," said William Schaff, chief investment officer of Bay Isle Financial Corp. in San Francisco.

Thinking Ahead / Commentary

An Opportunity to Back Free Trade

By Reginald Dale International Herald Tribune

▼ASHINGTON — One of the healthier outcomes of the Asian crisis is a dawning realization that the world's financial system — or "architecture," to use the fashionable tries, the IMF is increasingly seen less term — requires upgrading and re-International officials are designing

plans to make future crises less likely - partly by making markets more efficient - and to improve bailout procedures when they do occur, as they doubtless will. The reappraisal looks more serious

than the postmortem that followed the Mexican crisis three years ago, which is all to the good. With its string of Asian rescue packages, the Interna-tional Monetary Fund is entering uncharted territory, both in the scale of its operations and in the depth of the policy transformations it is demanding of sovereign governments.

But revamping the financial rules is only half the story. In the Global Age that is now dawning, financial instabilcould shake the foundations of the international system.

that the pace of economic and tech-nological change is spinning out of A chance to start doing so will come

political control and that nation states during five days in May, which will can no longer determine their own or include a summit meeting of the Group their citizens' destinies.

For this, the blame is often assigned to the United States and its worldwide crusade for open markets, to which epithets like "brutal" are sometimes as a Good Samaritan than as the obedient enforcer of undiluted American

Nor is the United States itself immune from these tensions. America's commitment to an open global economy is under the strongest domestic assault in half a century. And while others denounce the IMF as America's agent, many Americans believe it should get no more of their money.

capitalism.

What should be clear is that these fears and insecurities can only be set to rest by political leadership - at national and world levels - not just by tinkering with the financial system, however desirable that may be.

If the world is to be sure of continuing the huge economic success story of the past 50 years, its leaders must work to keep up the drive for trade and ity is just one component of broader economic liberalization that has been economic and political tensions that the main cause of that success. That means giving renewed political legitimacy to institutions now under fire, The Asian crisis has highlighted like the IMF, and convincingly anwidespread fears in many countries swering objections to free market

A chance to start doing so will come

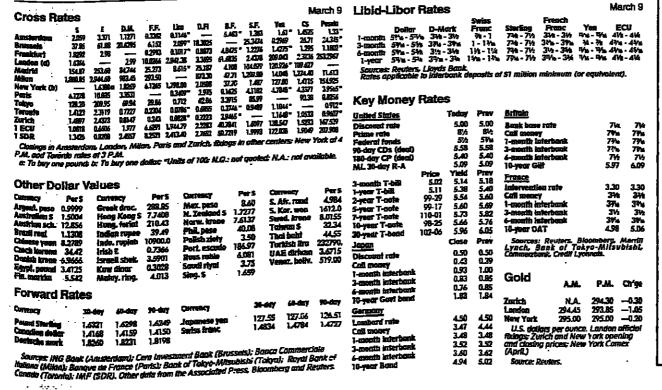
of Seven leading industrial countries plus Russia, another between leaders of the United States and the European Union, and a high-level gathering in Geneva to celebrate the 50th anniversary of the General Agreement on Tariffs and Trade, now reincarnated as the World Trade Organization.

It would be disgraceful if the world's leaders were to treat this opportunity with the indifference, pomposity and indecision that have come to be expected at so many such gatherings. Of course, they cannot solve all the world's problems in less than a week.

But they can send an important signal by showing that they accept re-sponsibility for answering the concerns expressed by their constituents. President Bill Clinton should waste no time in announcing that he will go to Geneva, ensuring that the meeting will become the first global summit of the

multilateral trading system. In that way, the world's leaders could commit themselves to keep free trade flowing in the wake of the Asian crisis, and demonstrate the widest possible support for an open global economy. It would also help to make clear that everyone will have a say in designing the new global architecture - not iust Americans

THINKAHEAD@ Washpost.com



Profit on '97
Frost Boom

. .

100 m

المراج ومحسر

1-2

1.1

9-14-

....

. 20

. 1

-:-2-

.

. . . (

7 i 7

77.5

n meß

. 23

*** ---

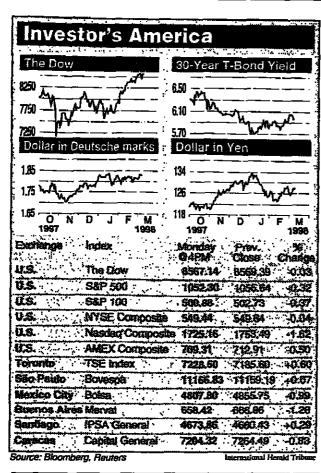
IDSTOLK MA

int, March 3

again pagalaga

L.

THE AMERICAS



Very briefly:

 Planet Hollywood International Inc. announced plans to build a hotel-and-restaurant complex in New York City's revitalized Times Square.

• Network Computing Devices Inc. said it expected lower revenue and a "modest" loss for the first half of 1998 because sales of its so-called thin-client systems would not begin until

• Casino Guichard-Perrachon SA, France's third-biggest publicly traded food retailer, said it would pay \$50 million to buy 39 Cash & Carry grocery-warehouse stores on the U.S. West Coast as part of an effort to enhance its presence outside

· Bowater Inc., the largest U.S. newsprint producer, agreed to buy Avenor Inc. for 3.5 billion Canadian dollars (\$2.46 billion) in cash, stock and assumed debt, topping a 3 billion dollar hostile bid last month by Abitibi-Consolidated Inc.

• Western Atlas Inc., the oilfield-services concern, said it would acquire Wedge Dia-Log Inc., a wireline company, for \$218 million, and buy 3-D Geophysical, a seismic-data acquisition service, for \$114 million, or \$9.65 per share.

Bloumberg. Reuters

Weekend Box Office

The Associated Press LOS ANGELES - "Titanic" dominated the U.S. box office

over the weekend, with a gross of \$18 million. Following are the Top 10 moneymakers, based on estimates for Friday through Sunday.

i. i ating	(Twefteen Certiny-1-ta)	318,0 million
2. U.S. Marshols	(Warner Bros.)	\$17.0 million
3. The Wedding Singer	(New Line Greens)	S6.2 million
4. Hush	(Testar)	\$6.0 million
4.7 wilight	(Peremount)	S6.0 million
6. The Big Lebowski	(Polygram)	\$5.9 million
7. Good Will Hunting	(!/Airamor)	\$5.1 million
8. As Good As it Gets	(Testar)	\$3.2 million
9. Derk City	(New Line Chema)	\$2.7 million
10 The Burgwers	(Polygram)	\$2.0 million
	· · ·	

German Data Help the Mark **Move Higher**

Bloomberg News

NEW YORK - The dollar fell against the Deutsche mark for a second day Monday after a report showed a larger-than-expected gain in Germany's industrial output, fueling speculation its economic recovery may be taking hold.

The dollar fell against the yen even after a Japanese report showed household spending fell, and Asian currencies tumbled, souring in-

vestors on Japan's currency.
The dollar was at 1.8269 DM in 4 P.M. trading, compared with 1.8334 DM on Friday. It was at 127.800

FOREIGN EXCHANGE

yen, compared with 127.825 yen. Against other major currencies, the dollar fetched 1.4870 Swiss francs, down from 1.4910 francs, and 6.1265 French francs, down

from 6.1480 francs. The pound was

at \$1.6388, up from \$1.6345. German industrial output rose 2.1 percent in January from December, exceeding the 0.4 percent gain forecast. "The gain in industrial production took the dollar down," said Robert Katz, a trader at MTB Bank in New York. "We're seeing stronger German numbers, and some

people expect a turnaround there.' The German report followed one Friday showing factory orders rose a 3 percent in January.

"I don't see any reason why the mark won't gain," said Marian Bell, an economist at Royal Bank of Scotland in London, adding that German economic growth "looks like it's

picking up."

Earlier, the dollar had gained against the yen as the Japanese government reported household spending fell in January for the seventh time in 10 months, reinforcing expectations the economy will not recover and interest rates will remain near record lows.

"With the interest rate differential and the problems with domestic spending, the fundamentals are still there for a stronger dollar versus yen," said Ralph Del Zenero, a corporate currency salesman at First Chicago NBD Corp. in Chicago.

Correction

The New International Bond Issues table that appeared in the IHT of March 2 incorrectly defined a World Bank issue due 2005 and paying 161/2%. The issue is denominated in Polish zlotys.

Qwest to Buy LCI for \$4.4 Billion

Inc. for \$4.4 billion in stock, which would make it the fourth-largest Angeles and Columbus, Ohio. U.S. long-distance phone company.

Qwest, a startup company, will pay LCI shareholders \$42 worth of tance company.

Qwest stock for each LCI share, a The acquisition comes amid a

22 percent premium over the of the combined companies. Upon completion of the deal, Owest will have more than 2 million customers and \$2.3 billion in

annual sales. In addition to the in-LCI's marketing and customercare expertise. the boards of both companies but

must be cleared by shareholders and federal regulators

Compiled by One Sing From Disputches fiber-optic network that will con-DENVER — Qwest Communi-nect 125 U.S. cities and is expected sition would lead to savings of cations International Inc. agreed to be completed by mid-1999. At \$300 million a year but of the complete Monday to buy LCI International present, about 3,600 miles of the specify if job cuts were planned. network is in service between Los

LCI, which is based in Virginia, is the sixth-largest U.S. long-dis-

wave of consolidation in the phone as we can organically," he said industry. WorldCom Inc. is buying Qwest has been a Wall Street \$34.375 closing price Friday, LCI industry, WorldCom Inc. is buying shareholders will own 36.4 percent MCI Communications Corp. in a stock swap worth \$41.8 billion to creased customer base, Qwest gets break into the local phone market. work. (Bloomberg, Reuters, AP)

They did say the companies had little overlap in operations. Joseph Nacchio, president of

Officials said the Owest acqui-

Qwest, said the company might consider more acquisitions. "Our intention is obviously to grow as fast

favorite since it went public in June because of Mr. Nacchio, who become the No. 2 long-distance company, while AT&T Corp. is buying Teleport Communications. Group Inc. for \$12.9 billion to of its \$2 billion fiber-optic net-

The deal has been approved by Ryanair to Buy Boeing Jets for \$2 Billion

DUBLIN — Ryanair Holdings Qwest shares fell 50 cents to PLC said Monday it would buy as close at \$36 Monday, while LCI many as 45 jets worth \$2 billion shares rose \$3.3125 to close at from Boeing Co., giving the U.S. aircraft maker a victory in Europe jets.

The Irish no-frills carrier said the purchase included orders for 25 737-800 jets, worth about \$1.1 billion at list prices, and options for an additional 20 of the 189-seat

The first deliveries are scheduled for March 1999.

Denver-based Qwest is building after losing several orders in recent months to Airbus Industrie.

NEW YORK - Stocks fell Monday as investors sold computer pointing profits but also bought and other companies expected to Coca-Cola and other consumerproducts shares amid hopes of a

strengthening economy.

The Dow Jones industrial averthe blue-chip index above 8,600 for the first time. The latest record was ping mall. 8,584.83, posted March 3.

The technology-heavy Nasdaq composite index fell 28.33 points to 1.725.16, and the Standard & Poor's 500-stock index fell 3.39 points to 1,052.30.

Declining issues barely outnumbered advancers on the New volume topped 530 million shares, down slightly from Friday.

Bonds rose on the outlook for continued low interest rates. The benchmark 30-year Treasury bond was up 22/32 at 102 5/32, its biggest one-day gain since Feb. 11. The yield fell to 5.97 percent from 6.02 percent, the lowest in a week.

The Dow's strongest components were Sears Roeback and Coke, both

of which rose on expectations the economy will continue to grow. Investors are buying shares in retailcompanies that warned of disapers, banks, consumer-goods makers set Management in Cincinnati.

U.S. STOCKS

Tech Gloom Puts Rally on Hold

benefit as unemployment hovers age fell 2.25 points to close at at a 24-year low and low interest 8,567.14 after swinging from a 29- rates let people buy goods on cheappoint loss to a 55-point gain that put er credit, refinance their homes and

> Takeovers also pushed up stocks, giving a boost to shares of LCI In- and small-office market, the latest ternational. Alumax and Avenor.

tributing investors' money, said Bradley Turner, senior managing director at Gradison-McDonald As-

Money that is moving out of tech-nology-related issues, primarily over concerns about Asia, is "recirculating in the stock market into the defensive names," he said, while the high level of takeover activity is "keeping the market going into an upward direction."

Hewlett-Packard shares fell after Xerox said it would introduce its first laser printer aimed at the home salvo in a plan to grab market share Rather than driving the markets from Hewlett-Packard. Xerox down, bad news is simply redis-shares also fell. (AP, Bloomberg)

Alcoa to Buy: **Alumax for** \$3.8 Billion

Compiled by Our Sudj From Dispatches

PITTSBURGH — Aluminum Co. of America said Monday it would acquire rival Alumax Inc. in a cash-and-stock deal valued at \$3.8 billion, bolstering Alcoa's position as the world's biggest aluminum producer.

The transaction, which includes the assumption of debt, would give the combined company about 100,000 employees in 30 countries with estimated 1998 revenue of \$17 billion. Alumax is the third-biggest. aluminum company.

Alcoa said it would pay \$50 a

share for half of Alumax's 53 million shares outstanding, a 36 percent premium over Alumax's Friday closing price.

Alcoa will exchange 0.6975 share of its own stock for each of the remaining Alumax shares. The stock-swap portion of the offer is valued at \$49.95, based on Friday's

closing prices.

The tender for shares is set to start Friday, and the transaction is expected to close in the second quarter, Alcoa said.

Alcoa said the boards of both companies had approved the acquisition, which still requires regulatory approval and the approval of Alumax's holders.

It said it was confident that the Justice Department would approve the deal. "We are very confident. that Justice will find nothing to haggle about in this transaction," said Paul O'Neill, Alcoa's chairman and chief executive officer. He said he did not think European Union approval was needed.

But the 110-year old company would still account for less than 10 percent of global aluminum production capacity when Russia and China are included. Mr. O'Neill

Alumax shares closed Monday at \$47, up \$10.3125. Alcoa shares finished at \$71.4375, down 18.75

York Stock Exchange, where U.S. High Court Rules Copyright Can't Block 'Gray Market'

Bloomberg News

WASHINGTON - U.S. manufacturers cannot use copyright laws to block "gray market" imports of legitimate, name-brand perfume, cosmetics, jewelry, home electronics, and other goods, the Supreme Court ruled unanimously on Monday.

The court said that once a manufacturer sold a product overseas, unauthorized distributors could buy it and ship it back to the United States for retail sale. The ruling was a setback for manufacturers and a victory for

independent distributors, retail stores, and ultimately consumers, who can buy products more cheaply on the gray" or "parallel" market.

The goods in question are legitimate name-brand products that U.S. manufacturers often sell overseas for much less than they charge domestically. Major retailers sell some of those goods that have been imported back into the United States to compete with goods sold through a manufacturer's authorized distribution network, often at higher prices.

AMEX

Monday's 4 P.M. Close The 300 most traded stocks of the day. up to the closing on Wall Street.

ANTE PART ANTE P

多一个学师,这个学师,我们是这个人的,我们是这个人的,我们是这个人的,我们是这个人的,我们是这个人的,我们是我们的一个,我们是我们的一个人的,我们是我们的一个人的,我们是这个人的人,我们是这个人的人,我们们是这个人的人,我们也会会会会了一个人的人,我们就是这个人的人 · 超行的10.40 · 用水水的水水的水水。 与的外外水的水水水水 (10.00 · 1

U. S. STOCK MARKET DIARY

C ではないないからいませんないないない Cempaq K mart LCI irat PepsiCo IB/A s Lossego: Hewistif Philipa CocaCI Materdia Baynina ATA.T Enfergy Schimb s Miliom s NYSE SOYBEAN OIL (CBOT)
60,000 ba- cents per b
Mar 98 26.45 26.38 26.45 4
May 98 27.02 26.65 26.70 4
Jul 98 27.02 26.65 26.70 4
Jul 98 27.20 26.65 26.70 4
Sep 98 26.66 26.33 26.48 4
Dec 98 26.25 25.90 26.00 4
Est. soies 18.000 Fifth soies 15,213
Fifth open int 132,338, up 458 **AMEX** Vol. 35347 17979 15820 10427 8633 7865 6817 6728 6139 6120 Low Last 105410597: 23% 23% 13% 14% 13 13% 3% 4 47 5% 49% 49% 85% 85% 65% 55% 35 35 minimus:- Cents per bush 670 662 66246 677 664 66546 677 668 670 6744; 670 670 662 658 659 6 55,000 Firts series 55,009 n tot 141,146, up 1,702 PINIEAT (CBCT)
5.070 bu minimum-canto pe Altor 98 2294 228 May 98 341 337 3 Jul 98 350 346½ 3 Sep 98 356½ 3542 Est. soles 15.000 Fits soles Fits open int 92,503, off 462 329 337/9 347/9 347/9 355 bs 15,674 Nasdaa 2219 775 499 3483 243 **Market Sales** Today 440 629.69 24.22 678.65 30 3-13 30 3-13 305 3-16 3075 STOCK PORK BELLIES (CMER) 40,000 lbs.- cants per lb. Mar 98 41.00 37.00 40.10 May 98 42.25 40.10 47.42 Jul 98 41.90 40.25 40.00 Est sales 2,500 Frfs sales 2,024 Frfs open ind 9,181, off 138

INTERNATIONAL FUTURES

25,000 Res. Mar 98 Apr 98 May 98 Jul 98 Aug 98 Oct 98 Nov 98 Est. soles Frits open S YR TREASURY (CBOT)
\$100,000 pm; pts & 64ths of 100 pc;
Mar 78 109-02 108-62 109-00 + 11 44,629
Am 98 109-02 108-81 108-61 + 11 223,495
Est. soles 40,000 Frfs soles 84,690
Frfs open int 280,395, aff 6,134

-0.01 -0.03 -0.09 -0.11 -0.10 -0.07

US TREASURY BONDS (CBOT) (B pcl-4100,000-pts & 32nds of 100 Jun 99 120-00 119-05 119-29 5ep 98 119-21 118-27 119-19 Dec 78 119-00 Mar 99 118-30 COFFEE C ORCSE)
37,500 Ba. - cents per lb.
Mor 99 132,00 130,50 151,65
Mor 99 137,50 148,00 145,75
Jul 98 144,50 145,75 144,90
Sep 98 139,75 138,25 139,25
Dec 99 132,60 133,25 134,50
Dec 99 132,60 14,225 LONG GALT (LIFFE)
850,000 - pis & 22nds of 100 pci
Mar 98 125-11 125-01 125-09 +0-16 1,022
Jun 98 107-25 107-04 107-21 +0-16 174,779
Est. solies: 45,223. Prev. solies: 83,031
Prev. open Int.: 175,801 up 2,909

COCOA (NCSE)
10 metric lors- 5 per lon
Mar 78 1971 1540
Mey 98 1641 1587
Jul 98 1640 1615
Sep 98 1646 1645
Dec 98 1698 1673
Mar 99 1717 1709
Fest profes 4943 Eric perfes

112,000 Brs.- cents per lb.
May 98 9,78 9,48
3ut 98 9,79 9,53
Oct 98 10,00 9,80
May 99 10,24 10,23
Est, solar 16,103 Fift solar
Fifts open int 188,673, of 8

OCLLARS (CMER)
Implied 100 pct.

94.22 94.21 94.22 Unic.

94.25 94.34 94.35 +9.4

94.36 94.35 94.36 +9.0

94.36 94.36 94.36 +9.0

94.35 94.36 94.36 +9.0

94.35 94.34 94.35 +9.0

94.35 94.34 94.35 +9.0

94.35 94.34 94.35 +9.0

94.37 94.29 94.34 +0.0

94.37 94.29 94.36 +0.0

94.37 94.29 94.36 +0.0

94.37 94.29 94.36 +0.0

94.30 94.30 94.25 +0.0

94.30 94.30 94.30 94.30 94.30

96.30 94.06 94.06 94.36 +0.0

96.30 94.06 94.06 94.36 +0.0

96.30 94.06 94.36 +0.0

96.30 94.06 94.36 +0.0

96.30 94.30 94.30 94.30 94.30 94.30 S1 milli Mar 98 Apr 98 Mary 98 Jun 98 Aug 98 Sep 98 Dec 99 Jun 99 Jun 99 Sep 99 Dec 99 Est. soles Firts open

CANADIAN DOLLAR (CMER)
100,000 dollars, 5 per Cán. dr Nar 98 7088 7080 7094-0,0031
Jun 98 7104 7061 7094-0,0031
Sep 98 7124 7095 7110-0,0032
Est. soiles 71,286 Frits soiles 22,217
Frits open int 65,365, off 107 GERMAN MARIK (CMER)
125,000 morts, 5 per morts
Nor 98 5484 5282 5474+0.3018 76,348
1349 98 5511 5400 5502+0.0018 42,673
Sep 98 5530 5529 5529+0.0018 1,576
Est, soites 27,805 Frits soites 61,938
Frits open Inf 120,676, up 8,4731

SWISS FRANC (CMER)
125,000 froncs, S per fronc
Mary 8 .6737 .6687 .6
Jun 98 .6814 .6765 .6
Sep 98 .6875 .6865 .6
Est. soles N.A. Fifa soles 2
Fifa open but 65,530, up 521

MEXICAN PESO (CMER) 500,000 pesos. \$ per peso Mar 98 . 11570 . 11520 . 11527 Jun 98 . 11770 . 11119 . 11112-Sep 98 . 10750 . 10710 . 10720-Est. solies 4766 Frfs sepas 7459 Frfs open let 37,448, off 472

per bb 14.14 14.41 15.02 15.44 15.83 16.13 14.83 15.29 15.56 15.90 16.28 16.50 MATURAL GAS DIMERY 10,000 mms birus 4,5 per nam bir Apr 98 2,185 2,140 2,170 + May 98 2,200 2,185 2,216 + Jul 98 2,245 2,215 2,245 + Jul 98 2,270 2,245 2,270 + App 98 2,290 2,360 2,280 + Sap 98 2,295 2,275 2,285 + Est. soles N.A. Frits soles 42,744 Frits open int 192,724 off 1,105 UNICADED GASOLINE (NAC 4.006 gal, cents per gol Mar 99 Apr 98 48.00 45.70 45.73 Mar 98 58.00 48.10 47.73 Jul 98 59.70 49.10 44.78 Jul 98 59.70 49.10 48.48 Jul 98 59.70 49.10 59.73 Sep 98 51.20 49.95 59.33 Sep 98 51.20 49.95 59.33 Ed. coles NA. Fifts soles 47.743 Erfs open int 105.957, off 253 BREINT OIL (PIE)
U.S. dollars per bornel - lois of 1,000 bornels
Apr 98 12.45 12.95 12.96 -0.61 98.076
May 98 13.45 12.95 12.96 -0.60 98.278
Jun 98 14.20 12.74 13.86 -0.99 27.365
Jul 98 14.29 12.14 12.25 -0.46 14.26
Jul 98 14.39 14.12 14.25 -0.46 14.26
Aug 98 14.37 14.48 14.26 -0.45 14.26
Est sories: 65.500 Prev. sories: 51,297
Prev. open int.: 239,977 up 758

CAC 40 (MATIF)

Close 1,451,30 1,685,60 139,45 225,13

Slack soder 721 45 Premora: 697 45 SECTION OF THE PARTY OF THE PAR

THE WASHINGTON THE WA

Canada Markette su

Samuel Comment ENCESSES ENCES MEN BURNESS OF THE SERVICE OF THE SE

VW Doubles Profit on '97 Sales Boom

Bloomberg News
WOLFSBURG, Germany-Volkswagen AG, Europe's largest automaker, said net earnings last year rose 100 percent amid booming sales.

Profit after taxes in 1997 rose to 1.36 billion Deutsche marks (\$742 million) from 678 million DM in the previous year, better than expectations. Sales last year rose 13 percent, to 113.2 billion DM.

While Volkswagen's rivals in Germany — Ford Werke AG and Adam Opel AG — struggled in 1997, VW sales rose on demand for its updated VW Golf and Passat, Audi A3 and Seat Arosa cars as well as Skoda models

VW began an extensive reorganization in 1993 after the company reported a loss of 2 billion DM. The company's strategy centers on plans to reduce the number of underbodies the company builds its cars on to four from 16.

The company said last year it expected this strategy to be 30 percent complete in 1997 and 90 percent complete by 2000.

The platform strategy will have an effect, but the most important point will be the increase in sales, which is very high," said Jean-Marie Cauchetaux of Bankhaus Bruxelles Lambert in Belgium before the figures were published.

"In 1998, I expect sales to go up but this time the platform strategy will be the most important factor for profit growth," he added.

Volkswagen also announced it will go ahead with the sale of the first tranche of 3 million new shares, which are already registered in Germany, at an unspecified date.

Shareholders will receive one new share for every 13 existing shares.

The company also said it would increase the dividend to 12 DM from 9 DM per common share and to 13 DM from 10 DM per preferred share.

Volkswagen shares closed Monday at 1,274.50 DM, up 30.50 DM, or 2.5 percent.

Dutch Firm Seeking Toehold at Trieste Port Investor's Europe

By James Hansen Special to the Herald Tribune

TRIESTE, Italy - The Dutch cargo handling company Europe Combined Terminals BV is on the verge of taking control of the container terminal of Trieste, Italy's largest shipping port, in a bid to win market share in Central and Eastern

Europe from German companies. This is a key first step in our plans for international expansion," said Jos Dekkers, a spokesman for the Rotterdam-based company,

which is known as ECT.
The president of the Trieste Port Authority, Michele Lacalamita, said the deal would "increase its competitive edge with respect to the North German ports of Hamburg and Bremerhaven," which currently dominate maritime traffic to Central Europe.

The Italian government put the port's container operations on the block as part of its privatization

Mr. Dekkers said his company was attracted to Trieste "because

an increasingly important role in shipping into Central and Eastern "Trieste is at the head of the Adriatic Sea in northeastern Italy.

Sources close to the negotiations say they expect talks between ECT and the Trieste Port Authority to be finalized sometime this month.

Though Trieste has recently edged past Genoa as Italy's largest port — handling 46.4 million tons of cargo last year — it has been relatively weak in containers, managing only about 200 thousand TEUs, or twenty-foot equivalent units, annually.

The TEU is a standard measure of maritime shipping volumes, intended to express traffic in both standard 20 foot containers and double length 40 foot containers with a single value. "We expect to at least double

traffic through Trieste to 400 thonsand TEUs annually within four years," said John Hillier, leader of the ECT negotiating team, "and then double again to an upper target

of 800 thousand TEUs a year.' Mr. Hillier said the infrastructure

the Mediterranean ports are playing of the port was in good condition. an increasingly important role in "Most of our investment will be in the area of computing and telecommunications systems," he said. He would not say how much ECT planned to invest.

ECT won the right to bid for a 30 year lease of the Trieste facilities in a bitterly fought battle with Sinport, a terminal operator controlled by a mere 50 minutes. Italy's rail com-automaker Fiat SpA. In January, Fi-pany is working to cut travel time to at sold 60 percent of Sinport to the Port of Singapore Authority. Sinport operates container ports at Genoa and Venice. Liverpool-based Clarke & Chapman, a subsidiary of Rolls Royce PLC, also bid for the Trieste facilities.

Once a sleepy coffee port, interest in Trieste as a maritime hub is taking off. Cargo traffic into and out of Italy's booming northeast and a growing role in shipping to South Central Europe helped raise traffic five days back — and a medium-

by 12 percent in 1997. The growth of democracy in Central Europe is creating conditions similar to those in the period of 2,100 employees. The company the Austro-Hungarian Empire," said the mayor of Trieste, Riccardo Illy.

Mayor Illy and the city administration he heads have battled successfully to get the Italian government to strengthen transport infrastructure in the northeast.

A toll highway link between Trieste and Ljobljana, the capital of Slovenia, has been completed, cutting transit between the two cities to pany is working to cut travel time to Vienna in half.

In the end, the success of the Trieste port is a question of saving money. "Look at a map." said Federico Pacorini, managing director of Pacorini SpA, a freight forwarder and coffee refiner based in the port, "a container ship coming out of Suez saves five days by dropping cargo for Central Europe here instead of at one of the Northern European ports. That's five days out and sized container, transport costs around \$45,000 a day to operate."

ECT is a private company with manages about 75, percent of the container traffic in Rotterdam.



Telefonica Chooses Allies Abroad

Ventures Set in Europe and Americas With WorldCom-MCI

Compiled by Our Staff From Dispatches MADRID — Telefonica de Es-

pana said Monday it would join WorldCom Inc. and MCI Communications Corp. in a series of joint ventures to offer telephone service in Europe and the Americas.

"We have chosen the best partners to help broaden our reach in Europe, consolidate our market leadership in the Spanish-speaking world and move forward with new investment opportunities in Latin America, particularly in Brazil, which will be our principal focus during 1998," the chairman of Telefonica, Juan Villalonga, said.

The announcement ended months of speculation about whom Telefonica would select as an ally after an accord with British Telecommunications PLC fell through.
Under the agreement, Telefonica

and WorldCom-MCI each will invest \$100 million in a pan-American venture to invest in Latin American telecommunications markets and link them with WorldCom-MCI's operations in the United States.

WorldCom will have an option to take a 10 percent stake in Telefonica unit that controls the company's op-erations in Brazil, Argentina, Chile, Peru, Colombia, Venezuela and Pu-

Tisa is the biggest foreign telephone operator in the region.

Telefonica, in turn, will have an uled to open up after December option to take a 10 percent stake in 1998, making competition tougher WorldCom's future European ven- at home, Telefonica is seeking inture and will be particularly active in WorldCom's push into Italy and erations abroad, analysts said. Eastern Europe.

WorldCom's chairman, Bernard Ebbers, said the alliance did not initially include a share swap. Mr. Ebbers said the companies Spanish speakers. could exchange share stakes in the

Telefonica was forced to choose between MCI and British Telecom after Mr. Ebbers sprang a surprise last year by bidding successfully for British Telecom's proposed merger partner MCI. WorldCom's purchase of MCI is awaiting approval up 1.1 percent. by the European Commission.

"At first, everyone agreed that Telefonica would have been more Internacional, or Tisa, the Telefonica advantaged by an alliance with British Telecom, but at least now they have managed to slow down British Telecom's entry into the Spanish market," said Maria Rotondo, an analyst at Santander Investment.

With the Spanish market schedcreased sources of revenue from op-

The link with WorldCom is expected to allow Telefonica to establish itself in the United States, where there are tens of millions of

The Latin American market for all telecommunications services is currently valued at more than \$50 billion and is projected to grow to more than \$67 billion by 2000, the companies said.

Telefonica shares closed Monday in Madrid at 5,560 pesetas (\$36.27),

(AP, Bloomberg, Reuters)

Oil Prices Slump To 4-Year Low

Resters LONDON — World oil prices sank to fresh four-year lows Monday after Saudi Arabia ruled out any immediate

OPEC rescue package for glutted global oil markets. The kingdom also issued a stem warning to the quota vi-

olators in the cartel. . Brent crude, the world benchmark, was down 58 cents to \$13.01 a barrel late Monday on London's International Petroleum Exchange.

This compared with an average price of about \$19 during the 1990s, and some analysts think prices may soon dip below \$12.90 to their lowest level since November 1988.

The Saudi oil minister, Ali Naimi, said that Riyadh would brace for a storm on world oil markets rather than give up customers to rival producers.

Venezuela is OPEC's biggest quota buster and its oil minister, Erwin Arrieta, has said the country would not cut output "even by one barrel."

Chianty 1,099.06 1,088.90 +0.93 2,789.27 2,764.36 +0.99 4,780.83 4,715.95 +1.38 897.81 +0.56 4,067.09 +1.03 -0.33 5,818.90 5,782.90 +0.62 801.38 +0.54 20935 +1:54 3,525.85 3,483.22 +1.22 3,739.98 3,693.02 +1.27. 1,409.36 1,404.51 +0.35 4,451.76 4,457.73 +0.09

Very briefly:

 Fortis NV, a Belgian-Dutch banking and insurance company, will acquire the insurer John Alden Financial Corp. for about \$600 million to expand its presence in the U.S. market. • Halifax PLC, the biggest British mortgage lender, plans to bid to buy Birmingham Midshires Building Society for up to £800 million (\$1.3 billion), part of a move to cut costs and increase market share.

 Emerson Electric Co., a U.S. company that owns 51 percent of shares in Astec PLC, voted out three directors from the board of the British electrical-power products group.

 Mirror Group PLC's 1997 pretax profit fell to £80 million from £101 million a year ago. The British media company's results included a £12 million charge for acquisition costs.

• The European Union adopted capital-adequacy rules that will bring banking laws more in line with international standards. Under the rules, churches in Germany will be required to put aside capital to cover the risk of defaulting on bank loans. . W. H. Smith Group PLC plans to buy a rival magazine and book retail chain. John Menzies PLC, for £68 million.

· Granada Group PLC has set up a television home-shopping joint venture with a catalog retailer, Littlewoods Organization PLC, to take advantage of growing demand in Britain for home shopping. AFX. Bloomberg, Reuters

Italy Plans Deep Cuts in Spending

Italy's participation in the BRUSSELS — Treasury European Union's single cur-Minister Carlo Azeglio rency next year. Mr. Ciampi Ciampi of Italy unveiled plans said the Italian deficit would for deep cuts in deficit spend- fall to 1.2 percent of gross ing on Monday, a move ana- domestic product by 2001, lysts said virtually guaranteed from 2.7 percent last year.

WOKLD	ST	OCK MAR	KET
ALCOHOLOGICA		Sales Santing's and	

Monday, March 9 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | 1250 | ### AEX ladar: 1097.06
Previous: 1092.90

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

4.30

ASN-AMRO
Aegon
Ahold
Alco Nobel
ASM Litho.
ASR Verz.
Bon Co.
Bols Wess Cro.
Bols Wess Cro.
Bols Wess Cro.
Cop Genini
CSM Cro.
Dordsche Pet
ESM Cro.
Dordsche Pet
ESM Cro.
Dordsche Pet
ESM Cro.
Electrica
Fortsche Amer
Certonics
Horogreere
KNP BT
Redsche Indi
VNU
Bargkok
Adv Into Svc.
Adv Into Svc.
Adv Into Svc.
Bargkok
Bt F
BEC World
Wolkere Indi
VNU
Bargkok
Bt F
BEC World
F
Bon Care
Brown BR F
Telecomonal Abbey Nati Aliance Leica Aliana Central Aliana Central Aliana Central Aliana Central Aliana Mother Asia Agreement Agreeme 19554894082148077774921307755564016558514120855857124489588877954851325088758380835808358088580858585858585858 195548940821480777492130775556401658558512585779564895888779565857735588775558775558898989898989779588896975858 1955488940894087748956441155855858577956489588877956489588877355877355877555877558898977775888896975858798888 Hong Kong

Hong Seng: 1994-18

Record Provision: 1979-13

Record Procinc 1999 14-00 15-10 15-30

Ching Osess 15-15-10 15-30 15-30

Record Procinc 1999 10-5-15-10 15-30

Record Procinc 1999 13-40 13-40 13-30

Record Procinc 1999 13-40 13-

ABB A
ASSIDENCE
350 350 Altes Copco A
Autoir
Electrolux B
Foreness 3483 22
1420 1400
3 332.10
17 1024
1814 392 774 413 244 51.50 333 718 204.50 115.50 466.50 348 145.50 120.50 327.50 Accor
S99
AGF
AGF
AGF
AGF
AGF
AGF
AGF
AGF
AGGF
BC
CASION
Whitered
Whitered
Whiters
Whiters
Wholeley
Wholeley
Wholeley
Wholeley
Whole
Wh Beiss inde Previous 24670 24670 235 2470 250 7300 459 1170 150 7240 150 1240 150 1240 100 1346 100 134 20:00 73:35 70:50 116:50 70:50 20:00 49:70 13:50 49:70 13:50 49:70 13:50 49:70 13:50 49:70 13:50 14:50 14:50 15:50 15:50 15:50 15:50 20:10 20 20:10 20 Sydney PSE Index: 2175.41
Previous: 2187.54
18 17.50 17.55 17.50
18 17.50 18 17.75
116 114 115 115
116 28 4 74.90
128 317.50 317.50
327.53 317.50 317.50
327.53 317.50 317.50
327.53 317.50 315.50
327.53 317.50 315.50
327.53 317.50 315.50
327.53 317.50 315.50
327.53 317.50 315.50
327.53 317.50 315.50
327.53 317.50 315.50
327.53 317.50 315.50
327.53 317.50 315.50
327.53 317.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327.50 315.50
327 139.50 94.50 69 102.50 22.70 22.70 89 64.50 91 54.50 149 35 77.50

Ayala Load
Ayala Load
Bit Philip lai
CAP Hotees
Manthe Beck A
Metric Bonk
Petran It
Public Long Diet
San Maguel B
SAN Prisme Holg

Mexico
Late trading
Alin A
Bonnard B
Cennex CPO
Ciffia C
Emp Moderna
Gon Carso A1
Gon F Bonnar
Gon Fideuran
Assic
Ban Corum Indi
Bon Fideuran
Benefiton
Crefite It disamo
Ecison
Fideuran
Benefiton
Crefite It disamo
Ecison
Fideuran
Benefiton
Crefite It disamo
Ecison
Fideuran
Benefiton
Crefite It disamo
Ecison
Fideuran
Benefiton
Crefite It disamo
Ecison
Fideuran
Benefiton
Crefite It disamo
Ecison
Fideuran
Benefiton
Crefite It disamo
Ecison
Fideuran
Benefiton
Crefite It disamo
Ecison
Fideuran
Mechastel
Mechastel
Mechastel
Fideuran
Fid 47.40 47.40 20.95 21.00 34.40 34.40 15.60 15.64 48.85 49.85 3.12 3.13 77.60 27.60 38.10 38.10 148.10 149.00 22.40 22.50 49,80 21,20 34,90 15,88 47,95 50,10 31,6 27,60 38,70 149,00 22,80 Bradesco Pfd
Brahma Pfd
Cemig Pfd
CESP Pfd
Copel
Eletrobras
Houtonoo Pfd
Light Servicios
Lightpor
Petrobras Pfd
Poullelo Luz
Sid Nacional
Soura Cruz
Telebras Pfd
Teleraig
Teleraig
Teleraig
Teleraig
Teleraig
Teleraig
Teleraig
Unibanco
Ustmanos Pfd
CVRO Pfd ## Profession 149.00 14 Composite index: 597.71
Previous: \$25.98

00 52500 \$2500 \$2500 \$3400

90 8200 \$200 \$2700 \$3400

90 9700 \$900 \$900 \$900

00 \$900 \$900 \$900

00 \$2500 \$2500 \$2500

00 \$2500 \$2500 \$2500

00 \$2500 \$2500 \$2500

00 \$2500 \$6900 \$2500

00 \$2500 \$6900 \$7500

00 \$2500 \$6900 \$7500

00 \$2500 \$6900 \$7500

00 \$2500 \$6900 \$7500

00 \$2500 \$6900 \$7500

00 \$2500 \$6900 \$7500

00 \$2500 \$6900 \$7500

00 \$2500 \$6900 \$7500

00 \$2500 \$6900 \$7500

00 \$2500 \$2500

\$100 \$1000 \$1000

\$1000 \$1000 \$1000

\$1000 \$1000 \$1000

\$1000 \$1000 \$1000

\$1000 \$1000 \$1000

\$1000 \$1000 \$1000

\$1000 \$1000 \$1000

\$1000 \$1000 \$1000

\$1000 \$1000 \$1000

\$1000 \$1000 \$1000

\$1000 \$1000 \$1000

\$1000 \$1000 \$1000

\$1000 \$1000 \$1000

\$1000 \$1000 \$1000

\$1000 \$1000 \$1000

\$1000 \$1000 \$1000

\$1000 \$1000 \$1000

\$1000 \$1000 \$1000

\$1000 \$1000 \$1000

\$1000 \$1000 \$1000

\$1000 \$1000

\$1000 \$1000 \$1000

\$1000 \$1000

\$1000 \$1000

\$1000 \$1000

\$1000 \$1000

\$1000 \$1000

\$1000 \$1000

\$1000 \$1000

\$1000 \$1000

\$1000 \$1000

\$1000 \$1000

\$1000 \$1000

\$1000 \$1000

\$1000 \$1000

\$1000 \$1000

\$1000 \$1000

\$1000 \$1000

\$1000 \$1000

\$1000 \$1000

\$1000 \$1000

\$1000 \$1000

\$1000 \$1000

\$1000 \$1000

\$1000 \$1000

\$1000 \$1000

\$1000 \$1000

\$1000 \$1000

\$1000 \$1000

\$1000 \$1000

\$1000 \$1000

\$1000 \$1000

\$1000 \$1000

\$1000 \$1000

\$1000 \$1000

\$1000 \$1000

\$1000 \$1000

\$1000 \$1000

\$1000 \$1000

\$1000 \$1000

\$1000 \$1000

\$1000 \$1000

\$1000 \$1000

\$1000 \$1000

\$1000 \$1000

\$1000 \$1000

\$1000 \$1000

\$1000 \$1000

\$1000 \$1000

\$1000 \$1000

\$1000 \$1000

\$1000 \$1000

\$1000 \$1000

\$1000 \$1000

\$1000 \$1000

\$10000 \$10000

\$10000 \$10000

\$10000 \$10000

\$10000 \$10000

\$10000 \$10000

\$10000 \$10000

\$10000 \$10000

\$10000 \$10000

\$10000 \$10000

\$10000 \$10000

\$10000 \$10000

\$10000 \$10000

\$10000 \$10000

\$10000 \$10000

\$10000 \$10000

\$10000 \$10000

\$10000 \$10000

\$10000 \$10000

\$10000 \$10000

\$10000 \$10000

\$10000 \$10000

\$10000 \$10000

\$10000 \$10000

\$10000 \$10000

\$10000 \$10000

\$10000 \$10000

\$10000 \$10000

\$10000 \$10000

\$10000 \$10000

\$10000 \$10000

\$100000 \$10000

\$10000 \$10000

\$10000 \$100000

\$10000 \$

Asta Por Brew
Cerebos Por
Cerebos Por
City Cerebos
Orde Carringe
Dally Farm Int
DBS Land
Frusser & Meane
His Land
Frusser & Meane
His Land
Antibesa
Jord Matthesa
Jord Matthesa
Jord Matthesa
Jord Matthesa
Jord Matthesa

Jord Matthesa

Jord Matthesa

Jord Matthesa

Jord Matthesa

Jord Matthesa

Jord Matthesa

Jord Matthesa

Jord Matthesa

Jord Matthesa

Jord Matthesa

Jord Matthesa

Jord Matthesa

Jord Matthesa

Jord Land

Jord Jord

Jord Jord

Jord Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

Jord

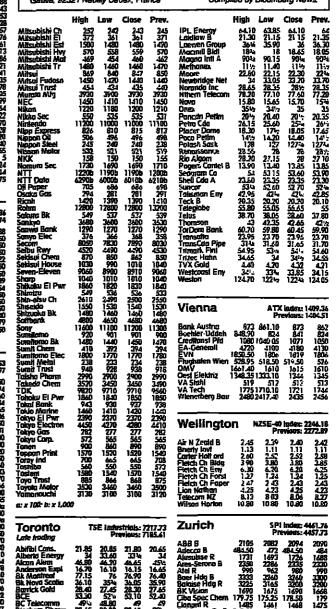
Jord

Jord

Jo

Ağnomoto Ali Nilpon Asahi Glass Asahi Glass Bit Takya Aliba Bit Yokahama Bark Takya Aliba Bit Yokahama Canon Canon Elec Chuqui Elec Chuqui Elec Chuqui Elec Chuqui Elec Chuqui Bank Pali Photo Desas Japan Ry Eleat Japan Ry Eleat Japan Ry Eleat Japan Ry Eleat Haccili Man Bank Puli Photo Pulita Bank Puli Photo Pulita Bank Puli Photo Pulita Bank Puli Photo Pulita Bank Puli Bank Pili Bank Puli Bank Pili Bank Polita Bank Puli Bank Rama Steel Kanan Tobacco Japan Tobacco Japa

Jan. 1, 1992 = 100	Level	Change	% change	
Jan 1, 1992 x 100	Lever	Criange	->cumde	year to d °⊾cha
World Index	187.50	+ 0.65	+ 0.35	- 8
Regional Indexes				
Asia/Pacific	99.63	0.36	— 0.36	+ 3
Europe	217.41	+ 1,60	+ 0.74	+ 12
N. America	236.03	+ 0.45	+ 0.19	+ 9
S. America	149.37	— 0.43	— 0.29	— 2
Industrial Indexes				
Capital goods	223.61	— 1,56	— 0.69	+ 8
Consumer goods	233.97	+ 2.20	+ 0.95	+ 11.
Energy	195.35	— 1.76	— 0.89	+ 0.
Finance	138.64	+ 0.52	+ 0.38	+ 12.
Miscellaneous	160.59	+ 2.43	+ 1.54	+ 7.
Flaw Materials	184.07	÷ 2.69	+ 1.48	+ 10.
Service	191.27	+ 1.15	+ 0.60	+ 9.
Utilities	171.63	— 0.02	— 0.01	+2
The International Hera of 280 internationally is	nvestable stoc	ks from 25 coun	tnes. For more	informatici
a free booklet is availe Gautle, 92521 Neudly	ble by writing	o The The Inde	x, 181 Avenue (ompiled by Bloc	Charles de



| Numbers 225: 16972.53 | Provious: 17131.57 | 1230 | 1230 | 2400 | 2400 | 2420 | 2440 | 2400 | 2420 | 2430 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 | 543 Toronto
Late knding
Late knding
Abifibi Cans.
Alberto Energy
Alcan Akim
Anderson Expl.
Bornero
Bornbordier B
Cansen
Can Nati Rail
Can Nati Rail
Can Nati Rail
Can Nati Res
Can Cad Octol Pet Can
Donohue A
Du Porti Can A
Edpersinscon
Euroblev Ming
Politox Finit
Folicon Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit
Finit 20944 68450 1724 12355 12355 12350 1490 1490 17858 24550 17858 2590 10455 1717 171

Hong Kong's Rich Now Wait for the Sales

free-spending tai-tais — wellheeled society ladies --- have been spotted sneaking peeks at the pricetags as they stroll through Gucci, Hermes and Prada.

buying a 30,000 Hong Kong dollar (\$4,000) evening gown.

Beyond the stock market's 35 percent plunge since August, the landslide in luxury property prices emerald earrings. and an exodus of expatriate equities traders. Hong Kong's doldrums are evident in the dimming fortunes of its local rich and famous.

"It's not like anyone says, 'I'm so poor now,' " said Mei Chee-check, the Tatler's social editor. "We know they've lost a lot of money, but they never talk about it.

The economic downturn has also struck Hong Kong's oncebustling social circuit as party planners postpone gala charity dinners for fear the bouquet-bedecked tables will go unsold.

shoppers, the city's designer people stand idle.

TOKYO - The government is

moving to protect customers of the

companies and brokerages as con-

cern mounts over the companies'

Parliament, that would require in-

surers to guarantee benefits, and

brokerages to safeguard customers'

The move comes a month after the

assets in case a company collapses.

Diet approved a plan to set aside 17

money to supplement an industry

ing industry," said Takehito Yamanaka, an analyst at SBC Warburg Japan Ltd. "There are fewer compa-

nies to begin with, and a good prob-

nually pouring about 450 billion yen

into their emergency fund, life and

75.5 billion yen into their funds each

the new insurance fund could cover

fails, we may need public money to

cover payments," said Mr. Fujita,

who is also president of Asahi Mu-

"If a big insurance company

pan, recently questioned whether man said.

While the banks have been an-

ability some will collapse.

year for 10 years.

a major failure.

tund that covers bank deposits.

trillion ven (\$132.9 billion) in public

'Japan's life insurance industry could be even weaker than the bank-

The Finance Ministry will present

Japan Prepares to Cushion

Financial Firms' Customers

bills Tuesday to the Diet, Japan's terest rate returns that were prom-

casualty insurers will pay a total of the Supreme Court said Monday.

Life Insurance Association of Ja- of 56,494 in 1996, a court spokes-

boutiques have defiled their high-80 percent. Even marked down, the merchandise is not moving.

Reno Chan's longtime custom-Hermes and Prada.

The wife of one wealthy business executive even confessed to Tatler movers — were loyal and they magazine, the bible of Hong Kong's knew how to spend. Mr. Chan, social set, that she had balked at manager at Bulgari, a chic Italian jeweler, said his clientele would drop an average 100,000 dollars when they walked into his shop for a jewel-studded watch or set of

> He says the cream of the crop "who don't care about money" still stop by, but otherwise, "it's very quiet." The Japanese have stayed away because of the weakening yen and reports that Hong Kong hotels have charged them

inflated room rates Mr. Chan's neighbors at the tony Landmark shopping center in Hong Kong's central business district are outdoing each other with windows that scream "Further Reduction," on cashmere sweaters and "Final Sale," on silk scarves. In a bid to lure back chastened but the crowds remain sparse. Sales

The bills will guarantee payment

of all death benefits, automobile cov-

erage and other types of insurance policies until March 2001. They will

also cover stockholdings and other

insurance policyholders get the in-

ised them, though. That may do little

to restore public confidence, ana-

guarantee the debt cover rather than

we'll guarantee the interest rate,'

Agence France-Presse

anese declaring themselves bankrupt

soared to a record 71,299 in 1997, up

26 percent from the previous year.

the court started compiling data in

From 1992 to 1995, the personal

The sharp increase in 1997 re-

bankruptcy figure was steady at levels above 40,000.

TOKYO - The number of Jap-

"If all they're saying is 'we'll

that's not much of a guarantee," said David Threadgold, an analyst at Yasuo Matsushita, listening to a

ING Baring Securities (Japan) Ltd. question Monday in Parliament.

Personal Bankruptcies Hit High in Japan

The figure was the highest since the latest in a series of suicides by

flected an increase in those who lost a suicide pact, and of a couple who

their jobs or had their salaries cut owned an ailing picture-frame com-

The laws may not guarantee that

assets held by failed brokerages.

HONG KONG — Hong Kong's style display windows with tacky man at AIA Plaza, has been more and its companion track in nearby ee-spending tai-tais — well-signs advertising discounts of up to successful with discounts. She sold Sha Tin have shown no decline in six of the German-made luxury revenue. The economic crisis cars last month at 10 to 15 percent markdowns.

At Oliver's gournet food emporium in the Prince's Building, few customers stop by for the Chateau de Laubade Armagnac, at 40,000 dollars a bottle. "Our customers are looking for value," the manager, Eileen Ogle, said.

Hong Kong's retailers suffered the worst Christmas season in half decade, slumping 10 percent from 1996, according to the Census and Statistics Department. Business is not expected to pick up anytime soon.

It was a disaster, and January and February are so far even worse," said Rodney Miles, a consultant who used to run the Circle K chain of convenience stores. "What makes this downturn worse than previous ones is that the market is more mature, and tourists aren't coming in to make up for falls in domestic demand."

While the boutiques have emptied, there's one place where the money is still pouring in. The ven-

became unable to pay housing loans,

In another sign that Japanese are

suffering from financial problems,

the head of a Tokyo book-binding

company killed himself Monday,

troubled business people in the past

the driver's seat, the police said.

three executives in a parts-supply

business who hanged themselves in

Across town, a BMW saleswo- erable Happy Valley Race Course seems only to slake people's thirst for the ponies, Hong Kong's only legal form of betting outside the stock market.

The tracks, run by the Hong Kong Jockey Club whose stewards have always been the most prominent members in the former British colony, have lost little of their glitter. More than 30,000 bettors pass the turnstiles each racing night, a spokesman said.

Hong Kong's government offi-cials have taken pains to show they are not panicking and beg investors to take the long view. Financial Secretary Donald Tsang has cooked up a new package of tax breaks for ordinary citizens and for corporations that total nearly 100 billion dollars and are designed to

spark growth in the economy. Although stock and property prices are expected to stabilize, consumer sales are unlikely to improve until the end of the year, said Clarence Wong, senior economist at Hongkong & Shanghai Banking

Corruption Probe In Japan Widens To Central Bank

TOKYO — Japan's corruption scandal appeared Monday to be closing in on the nation's central bank as Finance Minister Hikaru Matsunaga said he would severely penalize those who are found to

ing graft scandal.
"We are currently conducting our internal investigation," asking some 600 senior officials about meetings with commercial banks in the past five years, Mr. Matsushita told the Diet. Japan's Parliament.

"I am taking the news reports seriously," he said. On Sunday, the paper Yomiuri Shimbun said prosecutors had ques-

in connection with more than 7 million yen (\$54,800) they spent on entertaining a central bank executive. 'The extent of entertainment was outrageous, and I feel ashamed of

it," Mr. Matsunaga told the budget for Restructuring the Economy, committee of the Diet. "We will said, "China will not change its drove off Hinode pier into Tokyo investigate internally those who strategy of developing large enter-Bay and was found dead, strapped in were not subjected to prosecutors' prise groups despite the fact that investigation and penalize them some large enterprises in South His suicide followed those of severely if necessary."

moto told Parliament that politicians ties between banks and bureaucrats: agency.

Agence France-Presse

have been involved in wrongdoing. The Bank of Japan's governor, Yasuo Matsushita, also said Monday he was taking seriously reports that a bank official took bribes in a widen-

tioned officials from at least six banks

Prime Minister Ryutaro Hashi- financial crisis." were partly responsible for the scan-dal by failing to monitor the close Li told the official Xinhua news

China Sticks To Policy of Strong Yuan

BEITING — Although China expects Asia's financial crisis to severely dent its trade expansion plans, it will not devalue its currency to increase exports, trade officials said Monday.

Steady growth in exports and foreign investment is still possible this year, said Shi Guangsheng, one of three vice ministers of foreign trade, although East Asia's financial crisis is causing a "severe impact and difficulties" for China's foreign

trade. Currency devaluations in Indonesia and other countries hurt by the crisis make their exports more competitive internationally. But Beijing continues to insist that China will

not devalue its currency, the yuan. Instead, China plans to increase competitiveness by shifting indus-trial production to make more hightech equipment and other goods that require more industrial processing, Mr. Shi said. It will also seek to lift exports by exploring new markets in Africa and Latin America, and will try to cut costs.

The decision not to devalue the yuan shows that China is a responsible member of the international trade community, willing to under-take obligations for overall stability, said Long Yongtu, China's chief negotiator for entry to the World Trade Organization.

Devaluation would be the most "direct, efficient and quick" way to increase exports, but China is re-fraining, he said. "On the export front we are prepared to pay the cost for China's decision not to devalue," he said. Maintaining the yuan will contribute to development and stability in China as well as the rest of Asia and the world, he said.

"China is not engaging in mercantilism, as some countries have claimed," Mr. Long said. "Mercant-

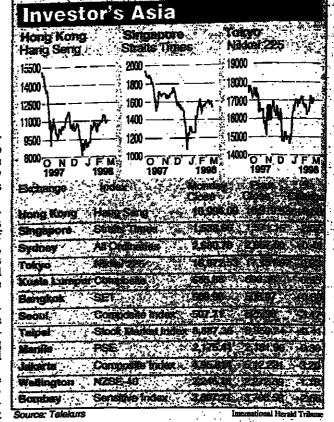
ilism means exports at any cost."
Mr. Long said Beijing had
reached agreement in bilateral market-access negotiations with 10 of 35 WTO members.

A U.S. delegation was due in China on Tuesday for WTO consultations, Mr. Long said. The U.S. ficials would visit Beijing.

Also Monday, China again underlined its determination to press ahead with plans to develop largescale enterprises, despite the rash of bankruptcies among South Korean

conglomerates. Li Baomin, deputy director of enterprises at the State Commission Korea have gone bust in the ongoing

'We are aware of the problems,



Very briefly:

- Kia Group, the struggling South Korean conglomerate, will offer to sell its specialty steel unit to the country's largest steelmaker, Pohang Iron & Steel Co. But Pohang said it "may not have the financial capability to take over Kia Steel."
- Samsung Heavy Industries Ltd. of South Korea has won orders worth \$200 million to build five ships for companies in Italy and Liberia. The contracts raised Samsung's 1997 ship orders to \$470 million. The company exported 28 ships worth

• China is studying "ways to give more channels to foreign banks to raise" yuan, the vice president of the Shanghai branch of the People's Bank of China, Di Weiping, was quoted by the China Daily Business Weekly as saying.

 Capital Steel Corp, will limit production at a plant near Beijing to assuage mounting public discontent over air pol-lution, the China Daily reported. Bi Qun, president of Capital Steel, was quoted as saying the company would "intensify efforts to curb pollution.'

• Japanese worker productivity rose 1.6 percent in the October-December quarter from the same period last year, the smallest gain since the second quarter of 1994. Compared with the previous quarter, productivity dropped 3.5 percent. For 1997, productivity increased 5.7 percent.

• Bayer AG's plans to build a \$1.5 billion chemical plant in Taiwan suffered another setback when the county where the plant is to be built said local voters would participate in a referendum on the plan. The central government said the referendum would not be legally binding.

embassy in Beijing confirmed that the deputy U.S. trade representative, Richard Fisher, and other trade ofman and Dutch ones, have complained that they had to move their offices out of Hong Kong to avoid being taxed twice after agreements lapsed with the reversion from Britain to China in Bloomberg, AP, AFX, Reuters

UAL Joins ANA in Marketing Deal Compiled by Our Staff From Dispatches

TOKYO — UAL Corp.'s United Airlines Inc. and All

marketing accord in April that would enhance the global presence of each airline. The United-All Nippon alliance will give the U.S. carrier greater access to Japan and points in Asia and provide the

Japanese airline with increased entry to U.S. cities and points in Latin America. United is part of the "Star Alliance," codelange our plan," Mr. sharing bloc of six airlines, but ANA, which announced a separate marketing accord with Lufthansa on Sunday, said it had "definitely not" joined the alliance. (Bloomberg, AFP)

amid Japan's economic woes, and pany and hanged themselves. tual Life Insurance Co.

ARNO. CALOR. ROWENTA. SEB. TEFAL

1997: A MILESTONE YEAR

	in FRF millions	in FRF millions	1997/1996 in %
Sales	9,857	11,847	+20
Operating income	1,135	1,399	+23
Operation income after interest	1,043	1,301	+25
Minority interest	2	(70)	'
Net income, (Group share)	480	521	+ 9
Net income per share (in FRF)	31,44	33.96	+ 8
Income + depreciation & amortization	915	1,012	+11

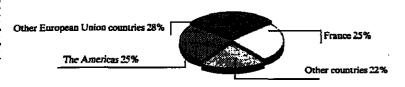
Extracts from the Chairman's message

In more than one respect, 1997 was a milestone year for your company, whose ambition is to satisfy Half-way through the Ambition 2000 project launched in 1994, Groupe SEB has become one of

the most worldwide groups in its field.

Strongly established in France and throughout Europe at the beginning of the decade, we accelerated our expansion first in North America, then in Eastern Europe and the CIS countries, and more recently in Asia.

Our takeover of Brazil's market leader Arno, in April 1997, crowned some days ago by the purchase of a block of shares which brought our holding up to nearly 97%, completes this world coverage with a strong presence in South America today.



The results for 1997, with the same consolidated structure, were almost in line with those I had announced to you: operating income and operating income after interest were up by about 9%, matching the upward trend in cales With the contribution of Amo, these results each show an increase of about FRF 260 millions.

Return on shareholder's equity, affected by a temporary tax increase in France and our partial holding in Arno during 1997, dipped slightly below 15% to 14.6% and should improve in 1998.

The coming year will be one of consolidation: the Group will use 1998 to develop its capacity to adapt to a very changeable economic climate. The reorganization undertaken in 1997 will continue. In Western Europe, consumer demand should be encouraged by an improved economic context. Any doubts or concerns about the economies of South America should have no market effect on Arno, thanks to refurbished ranges, new products, and growing exports within Mercosur.

In Asia, except from Japan where our sales are still very satisfactory, the Group's exposure to the local effects of the financial crists is weak. In a world prey to such abrupt changes in local situations, the risk to Groupe SEB is spread by the broad reach of its worldwide operations.

The General Shareholders Meeting shall be held on April 27, 1998 at 2:30 p.m. at the Pavillon Gabriel, 5 avenue Gabriel, 75008 Paris. Internet site: http://www.groupeseb.com

JOBS: Phone the Newly Hired Ms. Singh to Ask Why U.S. Productivity Is Stagnant

Continued from Page 1

fers consumers much greater choice, it is greater productivity that makes possible healthy raises and higher living standards.
"What we are beginning to rec-

ognize," said Paul David, an economic historian at Stanford Uni-"is that companies are increasingly embracing strategies that pay off in added revenue and higher profits for individual companies, but not necessarily in greater productivity for the nation."

That conclusion runs counter to a view that has become popular over the past two years among many experts - including, at times, Alan Greenspan, chairman of the Federal Reserve

They have proclaimed a new era of rising productivity, in which a computer-equipped nation is returning to

the rapid rate of improvement of earliет generations. The trouble is that the new era fails to show up in the government's productivity statistics, which measure how much national income, or output, is generated from an average hour of work, or input.

wrong or that they have not yet caught up to the improvement taking place or that they fail to reflect the higher quality built into some products and

But the experiences of companies like AT&T suggest that the statistics are closer to the truth than the op-

Considerable amounts of labor are apparently going into design, adverapparently going into design, adver-tising and marketing — to make one to combinations of defense manufacpair of sneakers, for example, or one telephone directory system seem different from another, but without in-creasing the total output of sneakers rapidly consolidating after the end of the Cold War in 1991. or of responses to requests for directory assistance.

As for quality, the improvements are much less than the optimists say. The question of whether a new era is near is of more than academic in-

In any country, productivity is the main road to a rising standard of living. Only when a nation's workers produce more in a given amount of time can bourly or weekly or annual wages rise across the board. Rising output from the same amount of labor can also free workers and capital for aments being sought. other endeavors that a society deems

teachers, or 100-mile-an-hour com- rate of more than 2 percent.

But the U.S. standard of living, in fact, has not been rising in any sig-Median household income is very

much in line with the meager increases in productivity over the past quarter-century - a slowdown new in America for so long a period. That helps to explain the feeling expressed by so many people — particularly those whose incomes are not linked to the rapid rise in the stock market that they are working harder and longer with no appreciable sense that their wealth is growing.

The new-era talk has been circulating only in the past two years, as the economy has boomed and as wages have begun to improve.

Profits have also done well in the past couple of years — another bit of evidence, at least in the optimists' eyes, that productivity is improving. There has, in fact, been an upward

spurt in productivity in the last year, but the average annual increase in the 1990s is only 1.2 percent, almost un-The optimists say the statistics are changed from the 1970s and 1980s.

desirable — more day care for children, for example; the development of America's industrial heyday — prosupersonic jets; more schools and ductivity rose at an average annual

Critics of the new-era thesis argue improving productivity; a company does this by investing more in marketing and innovation, to make a product or service seem different, and stter, than a competitor's.

growing service sector is less efficient than manufacturing, or harder to measure, as some argue in explaining the nation's poor productivity perfor-

Rather, the critics say, the drag on productivity comes from the great quantities of labor that are expended, in manufacturing and the service sector, to hold on to customers or to lure them away from other companies. That is what is happening at

Even as it makes a point of paring its work force, it adds other workers — either on its own payroll or through outsourcing — to stave off new challengers in its bread-and-butter longdistance phone service.

Ms. Singh is one of the additions.

Dial zero twice from most telephones, and people like Ms. Singh come on the line. She is a 35-year-old divorced mother of four who joined AT&T when the company opened a that a corporation can raise profit- directory-assistance center last May ability, at least for a while, without on the upper floors of a stately former department store here in a city riddled with both unemployment and low

"What we are betting is that consumers will be so captivated by our The issue, they say, is not that the new 'Double 00' service that they cannot imagine dealing with our com-petitors," said Mark Siegel, an AT&T spokesman.

Ms. Singh and her colleagues, who earn \$6.20 an hour, are paid to be pleasant and patient.

Ask one to list the names and phone numbers of all the delicatessens on Sixth Avenue in Manhattan and she — the majority are women — will go patiently through 30 delis that come up on the screen before the caller has had enough.

"You get a warm feeling from these conversations," Ms. Singh said. You don't come away from the job feeling brain-dead."

But Ms. Singh's role represents a. considerable deterioration in productivity.

LOCKHEED: U.S. Regulators Threaten Northrop Takeover

A survey in the November issue of

Defense Mergers & Acquisitions

magazine found that Lockheed would

be ranked No. 1 in 19 main defense

areas after the takeover, primarily

weapons, airborne, air traffic control,

and ground based radars, and infrared

missile approach counter measures.

electronic warfare,

Continued from Page 13

ment antitrust official, Joel Klein, and the chairman of the Federal Trade Commission, Robert Pitofsky, have turers as industry consolidation comes to an end. The industry started

Lockheed itself, second in size only to Boeing Co., is the product of a number of deals, including its purchase of Loral Corp. and Martin Mari-

While many antitrust experts thought its newest acquisition would face minimal problems from federal regulators, the first hint of trouble came in September, when Justice issued one of the largest follow-up requests for information in history.

It took four months for the companies to provide the numerous doc-Some areas where antitrust officials

plume from a missile and then deter it using a laser beam; Lockheed makes the Advanced Tactical Infrared Counter Measures, and Northrop makes the Directable Infrared Counter Measures. Radio frequency countermeasures are designed to confuse the transmissions of a new class of

weapons that fire electronic pulses. ing radar, Lockheed and Northrop are and ships.

might seek divestitures to maintain the only two manufacturers of this competition for future Pentagon contechnology, which also is used to detracts include infrared and radio fretect enemy aircraft and warn ground quency countermissile measures, and commanders about enemy invasions. airborne early warning radar, said people familiar with the investigation.

The radars go on the air force's E-3 AWACS aircraft, Navy E-2C Hawkeye and EA-6B Prowler jamming aircraft. Northrop also has teamed up with Lockheed to produce the next generation of these sophisticated detection radars for the Hawkeye, P-3 anti-submarine aircraft and Air Force C-130 electronic combat aircraft.

"If the companies" attempts to resolve the DoJ's concerns are not suc-Infrared countermeasures detect the cessful, it is anticipated the government will move to block the transaction," Lockheed and Northrop said. "We continue to believe that" significant savings of \$1 billion per year are available from the merger."

The primary areas of concern appear to be in surveillance radar and missile defense, sources said. Both companies are leaders in these areas, which in-In the area of airborne early warn- chide the electronics aboard aircraft (Bloomberg, WP, AFP)

1 X X **::## ********企業**

1.1

THE STATE OF BUSINESS

STATE OF STREET Will district the same of the

part 2 happiness hand The

paint and any other sections.

the control of the state of the

STATE OF THE PARTY NAMED IN

date & Company Ma

MES S MILLER MA

AND SECURITION TO THE REAL PROPERTY.

E THE PROPERTY OF MANY

cipalwise from left.

Surfaced to the second

NEWSCHIEF IS A PARK

den Stitter Contin

AND THE PARTY OF

- 425 CM . A. 🐲 17.50 · *

Second . \$ 3300 The

E wet

2,22, ..., 2

No. of the second

A STATE OF THE STA

Achama de and de me

A Real discountry of the second

EN JUMPHER WAS THE

par leading to the second

the said of the same of

the mountain scutter

Per ant higher than

Ell Col of a SSE

along Letubal Bada

in the state of the

And the said of the poets

Alendency to ascribe success to the rei-Acad Dentiscue Transfer Badonminister of

Dorang. affairs disagrees: hokathe figures for he wate's manufac-Shown a great

the programme letter to the programme of great of 1989 states the special special states of the special special states of the special states of the special special states of the special states of the special special states of the special states of the special special states of the special states of the special states of the special special states of the special states of the special special states of the special HILE In Side ₽**₽** Gara

Fax

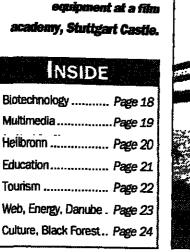
mile

To

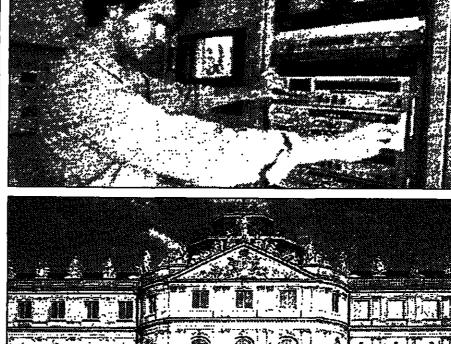
POLAND

BADEN-WÜRTTEMBERG

The state of Baden-Hürttemberg, traditionally a heavy-industry center, has become a high-tech hub. The public and private sectors work closely together to state's campuses are leaders in education and arch, and unemployment in the region is low. Clockwise from left: Stuttgart, technical equipment at a film ny, Stuttgart Castle.









NETHER

The state's top banks are joining forces to offer a wider range of options.

s far as today's mega-mergers in the financial sector go, the three-way link-up of the Landeskreditbank Baden-Württemberg (L-Bank), the Südwest Landesbank (Südwest LB) and the Stuttgart-based Landesgirokasse is not all that large. The new institution - the Landesbank Baden-Württemberg — will have a balance sheet total of 'only" 430 billion Deutsche marks (\$238 billion), making it the sixth-largest bank in Germany.

Moreover, because the merger involves public-sector-held financial institutions, there is none of the "who's winning?" suspense associated with similar operations taking place in the private sector. Nor is there any uncertainty about whether, or not the new bank, set to start operations on Jan. 1, 1999; will make it. All three of the founding institutions are solid

Going global

The merger has, however, attracted quite a bit of international attention. And that's because this new multi-service bank -which will handle everything from children's first savings accounts to billion-mark treasury operations and infrastruc= ture development projects - will be based in Baden-Württemberg, previously the home of single-sector and single-purpose banks and a decentralized banking system.

It was in Baden-Württemberg that Germany's building society movement took form. Led by Schwäbisch Half. to solve problems affecting ations, microelectronic com- number one in Germany, several of the country's largest the region as a whole. Add in ponents, computer hardware independently owned building societies are still the fact that we're a state of and software, Internet con- headquartered in the state. Local companies and private

Continued on page 21

'A STATE OF BUILDERS' FOCUSES ON START-UP COMPANIES

The state is home to Germany's most extensive network of technology centers, technology-transfer agencies and local development agencies.

In the mid-1980s, a wave of new technologies -- in particular information and both were created by the ogies (ICT) -- swept over al-development process. the world's economy, forcing Baden-Württemberg's busito apply these new technol- other chain, that of regional ogies. and ... manufacture development. We we worked neum and Suugart.

tiated the founding of what by local communities." has become Germany's most extensive network of technology centers, technology- unemployment recorded by transfer agencies, and local and regional development there are no areas that do not enlisted the support of local private partnerships.

ing technology centers has state. Baden-Württemberg produced commendable re- currently has Germany's sults. Over the last decade, second-lowest rate of unemthe state's economy has been ployment." consistently high performer, recording only one year of negative growth.

For Baden-Württemberg, 1997 was a satisfactory year. The state's GDP grew at a 2.4 percent rate, the average for all of Germany. Industrial output surged, up 5.7 percent for the year over 1996's record results.

. . . -

€ 2328.

3.12

\$7.44 · · ·

g -3.5 11

index - "-

g w = 4 % 1

4

 $\mathfrak{H}^{g,\mathfrak{g},\mathfrak{g}^{g,2}}$

- **3**-3

2

養養さる

* No.

The industrial rise was the product of across-the-board increases in all of the individual sectors. More than 635,000 automobiles were manufactured in Baden-Württemberg — an all-time high. This translates into a 13.5 percent climb in output in the automobile sector. Also recording large increases were metal processing, chemicals, and computers and electronics.

The rises also stemmed from sales outside Germany. Domestic demand was up a True to Service of Jakeord modest 1 percent. The state's exports of industrial goods were 13 percent higher than in 1996 — a strong year for Baden-Württemberg. And more is expected in 1998.

As of the end of last year, the total value of orders secured by the industrial sector was 8.5 percent higher than the record level of a year earlier. The increase in 1997

Walter Döring, Baden-Württemberg's minister of economic affairs, disagrees: "If you look at the figures for all of the last decade, you'll see that the state's manufaculters have shown a great

aden-Württemberg -- consistency in increasing for founding new entities the government does not -- of any size -- that doesn't you have the explanation." — has become a major center rectly attributable to the onfor company start-ups in Gergoing modernization of their world? production operations and product lines. And many of the innovations going into communications technol- state's chain-of-technologic-

> "The state's consistently good record of avoiding capable of mobilizing

The result? "The rates of growth and

the state's regions vary, but bodies. In doing so, the state have a viable business base," says Manfred Ginter, senior governments and the busi- business development offiness community, creating a cial at the ministry of ecocomplex web of public- nomic affairs. "And relatively high rates of employment This dedication for found- are the rule throughout the

Doesn't this enthusiasm

ternational

iversity

in Germany

for a century one of output and exports, both in contradict the efforts to trim mean the state has to get out maintain a network of dis-Europe's leading centimes of a strong or a weak public-sector expenditures of the business of fostering tribution and production faters for scientific innovation mark. This consistency is di- that are being made change. After all, somebody throughout the industrialized has to set long-term objec-

Teufel, Baden-Württem- attained. berg's prime minister. "At both the state and local levels, we have greatly trimmed the bureaucracy involved in doing business in founding Baden-Württemberg, That's ness community to learn how blight has ensued from an- shown by the major investments made by Daimler-Benz. Hewlen-Packard and products based on them. This with the state's chambers of others during the past few need was especially pro- commerce, local authorities, years. These have been realnounced in "heavyweight" banks and business associ- ized at speeds unheard of a of the Würth Group, the industrial areas like Mann- ations in founding organiza- few years ago. But letting Künzelsau-based supplier of The state government ini- all of the resources possessed out undue interference from "It's hard to find a company

tives for the state's economy "Not at all," says Erwin and make sure that they are its founding a half-century

Cosmopolitan Where does this propensity

for forging alliances and entities stem

grown to be one of the zations, or whatever - and grams. • world's most internationalized regions," says Reinhard Würth, chairman of the board

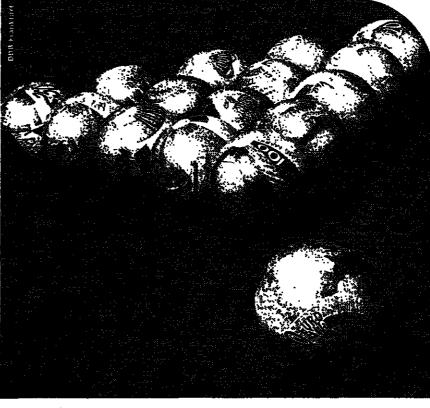
ago: a collection of fiercely independent local regions. "Baden-Württemberg has builders - houses, organi- tent and multimedia pro-

cilities spanning the globe.

The state remains, neverthe-

Thanks to its new organizations, Baden-Württemberg hasn't missed any of the last decade's technological less, what it was at the time of boats. Quite the opposite. The state ranks first or second among Germany's states in the production of each with a strong tradition telecommunication equipof everyone joining together ment, bioengineered medic-

Does your software know that the Euro is coming?



39. - 25. 03. 1998 Hall 2, Stand CO2

MBA-Program

Germany GmbH offers a unique program, tailored to the requirements of the information age:

universities worldwide. The International University in

that has adopted the American university system, that teaches all its between Heidelberg and the Black Forest.

The International University in

Apply now !

The advent of the Euro will cause beadaches in many companies, Currency conversion and exchange rates may prove to be too much for some applications and wreak havoc in accounting. You therefore need a powerful solution that will prepare you for tomorrow.

Multicurrency functionality and conversion tools are just two of the ways the SAP® R/3® enterprise solution software addresses these issues. And SAP software is programmed for the future - with year 2000-comphance and Internet-enabled applications paving the way to the next millennium.

After a brief implementation phase, the R/3 applications automate virtually all your processes in production, accounting, sales and human resources, integrating your departments into a single network. This guarantees better information, faster decisions and improved service. In short: your company will run like you always

The modular structure of R/3 gives you a solution that is tailored to your needs, and one that can be quickly and easily adapted when requirements change. R/3 is quite simply the perfect solution for companies of all sizes and from all

Infeligent software solutions that watch out for your bottom line can be found on our Web site at http://www.sap.com.

Or call your local SAP office: Austria (1) 288 22 Belgium (02) 7 78 05 11 Croatia (01) 5 12 14 60 Czech Republic (02) 6 51 97 01 Denmark (43) 26 39 00 Finland (09) 61 33 30 30 France (1) 55 30 20 00 Germany (0180) 534 34 24 Gracce (1) 9 24 62 42 Hungary (1) 4 57 83 33 Italy (0 39) 88 79 1 Netberlands (08 00) 0 22 50 52 Normay (67) 52 94 00 Poland (0 22) 6 06 06 06 Goognamia (01) 3 12 59 29 Russia/CLS. (095) 7 55 98 00 Spatia + Portugal (01) 4 56 72 00 Sweden (08) 80 96 80 Switzerland (0 32) 3 44 71 11 Turkey (02 16) 3 91 84 62 UK (0181) 8 18 29 40



海域常用。 was the largest since the boom year of 1989. International Universit Good record in Germany 4 " There is a tendency to ascribe the state's success to the rel-A 4 atively weak Deutsche mark.

D-76605 Bruchsal Tel: +49-711-22 29 13 13 **MICT-Program**

FACTS AND FIGURES

Population: 10,075,000

Area: 35 751 square kilometers

Capital: Stuttgart (population: 599,000)

Other major cities:

Mannheim (pop.: 318,000)

Karlsruhe (pop.: 279,000)

Freiburg (pop.: 196,000)

Heidelberg (pop.: 140,000)

Prime Minister: Erwin Teufel

Deputy Prime Minister

and Minister of Economic Affairs: Walter Döring

The International University in

Instruction entirely taught in English by an international faculty.

Student-to-teacher ratio of 3:1.

Close cooperation with partner companies

Exchange agreements with

Germany is the first German university courses in English and that focuses on Information Technology and Business Administration. It is conveniently located in Bruchsal, a small Baroque town,

Germany is the most exciting and vibrant place in German academia

BIOTECH COMPANIES FLOURISH ON CAMPUS

"Clusters" based in university towns blend scholarly research with commercial savvy.

Baden-Württernberg's the early stages of exploiting ler expects his anti-cancer the best and only method of nine universities, in our potential for technology drug to be on the market by addition to having a distin-guished history and culture, Harald zu Hausen, director

After years of meeting parts of the body, but it is are the venues for some of the of Germany's Center for with indifference, Professor often a blunt sword, wreake world's most important, up- Cancer Research, located in Wiessler managed to sell the ing havoc on the surrounding to-date scientific research. Heidelberg.

The scientists themselves distinguished centers of admits. Because glucose is veloped both a minimally inhave founded many compa- medical research - prom- water-soluble, the new drug trusive, ultra-adjustable - nies on campus. The tech-- nology-transfer program set the effectiveness of treating stead of via an infusion. And capable of providing an ex-. up by Baden-Württemberg's cancer. state government and local municipalities has helped set ous appetite for glucose. In a normal cells, the drug has Joined by other scientists and

this process in motion. The life sciences have a success was registered in fects.
great potential for spurring 1986, Manfred Wiessler pereconomic growth and cre-fected a technique for Support for entrepreneurs ating jobs. Heidelberg and "piggybacking" anti-cancer Another highly promising product.

nearby Mannheim anchor drugs onto glucose preparathe Rhein Neckar cluster, tions. The cancer cells snap based on the piggybacking high-tech which is one of the largest on up the glucose, which serves principle. Instead of glucose, Heidelberg area is encourthe Continent. Yet Heidelberg is not yet medication.

satisfied with its own per-

rights to the product to Asta tissue. More and more often, the Three innovations being Medica, the German pharfruits of this research are developed by the institute—
ripering into market leaders. long one of the world's most been a difficult fight," he cise of rapiers. He has deises to drastically improve can be taken like aspirin, in-Tumor cells have a raven- sorb the glucose faster than that positions the tumor.

> as a Trojan horse for the Hannsjörg Sinn's new medication uses albumin, a plas-

"cold laser" and a program because the cancer cells ab- act, three-dimensional image project whose first major appreciably fewer side ef- a local company, Professor Schlegel has founded a new company to develop his invention into a commercial

"The number of new high-tech start-ups in the agingly large," says Klaus Plate, head of the city gov-Testing on patients has be- matic protein, to convey the ernment's business developgun, and the results are very anti-carcinogen to the turnor, ment department and its technology park, among other positions. "Much larger is the number of scientists with promising innovations who have not yet become entrepreneurs.

If so, it is not for lack of local chamber of commerce, the private sector and statetechnology center primarily in Konstanz and Ulm. for life science start-ups, a venture capital seed fund, a companies and research inforum for the exchange of stitutes, Mannheim-Heidelbusiness and innovation-reberg is the largest cluster in lated expertise, a magazine, an information office and much more, Additional fa-This claim is hotly disputed cilities for new start-ups are by the Munich suburb Marunder development.

Glamorous science

This apparatus has been parwith Berlin, to be part of the ticularly successful in turn- German federal governing out biotech companies. ment's "Bio Germany has 14 full-fledged scheme. Its premise: The clusters. Four of them are in growth of Germany's bio- which, like Biomeva, is a daily, often informal basis." Written by Lion's own Baden-Württernberg: Frei- tech sector can best be specialist in carrying out "You have to go where a software engineers, this pro-Baden-Württernberg: Freiburg, Karlsruhe and Stutt- fostered by concentrating contract manufacturing critical mass of talent and gram scans all of the world's gart, along with the one in funds and other support on commissions. These com-know-how is," says 200 genetic data banks, lookthe areas with the greatest

tinsried.

potential.

level agencies, the city has Mannheim-Heidelberg. Two the fastest-growing and most world's leading pharmaceut- the field of genomics: the set up an ever-expanding more clusters are coalescing profitable around. That's be- ical companies. cause they have concen-With more than 50 biotech trated on being service pro-

> Baden-Württernberg and veloping new products," possibly in all of Germany. says Hans Peter Kneubühl, general manager of Heidelberg's Biomeva GmbH.

These two arch-compettech sector can best be specialist in carrying out

viders.

missions often involve "tal-The battle over which ascertains whether new, science AG. cluster has more turnover, bioengineered substances berg's biotechs are some of clude a number of the already Germany's leader in schafts Woche. •

"The glamorous side of in Europe, why did Mr. bacteria)." the biotech business is de-veloping new products," pany in the Mannheim-

Heidelberg region? Biomeva was founded in talent here, a pool found in required to analyze the 1989 by Mr. Kneubühl, a na- few other parts of Europe," itors were selected, along tive of Switzerland, and a he says, "We recruited our gene. In developing biopartner company, also Swiss. full-time staff from it, and It was taken over in 1996 by our staff members in turn ing the bacteria at the proper the USA's BioReliance, the work and consult with their genetic point, Lion uses leading biosafety company, colleagues in the region on a

Friedrich-von Bohlen und ing for "matches,"

The Heidelberg company creates better products and often created by the com- is one of the youngest and terial gene. employs more people ob- pany itself - have the po- best-known biotech start-ups scures an important devel- tential to become marketable in Germany. Founded in pment. Mannheim-Heidel- medicines. Its customers in- March 1997, this company is busines

decoding and mapping of individual genes and of the genetic material of entire mi-With a choice of any location crobes (generally harmful

Lion uses sequencing devices developed at Heidelberg's European Laboratory "Attractively priced start-up facilities and the pool of have drastically cut the time for Molecular Biology. They chains of DNA comprising a medicines capable of attack-Bioscout.

ent scout" work. Biomeva Halbach, CEO of Lion Bio- stances found to be effective in reaching and affecting a specific segment of a back-

> Bioscout cuts search time 14-fold, reports the German



support. Working with the In Baden-Würtlemberg, a university is much more than a place to study. It's a place where the saving science thrives.

MAPPING THE COMPANIES

As of July 1, 1997, there were 162 biotech companies in Baden-Württemberg, according to a study conducted by Biotechnologie Agentur Baden-Württemberg, the Karisruhe-based agency charged with fostering the growth of the state's biotech sector. With the recent spate of new companies being started up, this figure is probably already out of date.

One of these start-ups was born in late November 1997. Tübingen's Christiane Nüsslein-Volhard, winner of the Nobel Prize, is a founder of Artemis Pharmaceuticals. The professor's cofounders are nearly as distinguished. Backed by American capital, the company, based in Tübingen and Cologne, will use an advanced technology to identify mutant genes and detect the changes they cause in the health of an organism. Biotech narks

Freiburg, Heidelberg, Ulm

Science centers with an emphasis on biotechnology Heidelberg, Karlsruhe

Special-purpose research centers Heidelberg: German Cancer Research Center, European Laboratory for Molecular Biology, Center for Molecular Biology Karlsruhe: Research Center for Technology and the Environment

Number of companies Mannheim-Heidelberg: 38 Karlsruhe: 11 Konstanz: 7 Stuttgart: 18 Freiburg: 25

For more information, please contact Biotechnologie Agentur Baden-Württemberg Hald-und-Neu-Strasse 7 D-76131 Karlsruhe, Germany Tel.: (49-721) 96 58 606

Fax: (49-721) 96 58 609

Internet: www.biotecagentur.fhg.de

How many 'A's was that?

DEM 400.4 m (+9.6%) e Testal assessa. DEM 133 km (+ \$4.5% in compareon to % DEM 418 ba (+10.5%) Logne: DEM 89.3 pn (+2019;

1992) DEM 15.6 bri 1984. DEM 24.7 br 1995: DEM 120 bit 1996: DEM 19.3 bri are not in the least concerned that our ms features not enormous elephants but lean lions, investors can relax in the secure knowledge that this vigilance ever since medieval days.

indicator of the credit quality of an

issuer. That's why L-Bank's followers

Today they also stand for our strong links with Beden-Württemberg, an

of arms they also figure prominently. But it's not just in Germany that our lions feel at home - these kings of the jungle can be found pacing trading floors the world over. Together they for a credit rating that enables L-Bank to show its teeth by offering edingly attractive terms for major liquid transactions, L-Bank, Schlossplatz 10/12, D-76113 Karlsruhe, Germany. Telephone +49 721 150 1807.

翼L-BANK

New Products Are Health Helpers

Science is an art in Baden-Württemberg — the art of leading a high-quality existence.

self on a mass scale.

been achieved at Freiburg's University Clinic, Led by Professor Björn Stark, a team of scientists has succeeded in inducing a one centimetermeter of tissue.

Aid for burn victims

The team is now using the technology to aid burn victims. It takes about three enough. weeks for the victim's skin to reproduce itself on a large enough scale. When this step patient's own skin, there is and other advanced optoelec-sumption.

Karlsruhe

issue engineering is very little danger of rejection. tronics equipment. But it, bones - to reproduce them-One of the most exciting selves, and to generate speadvances in this area has cial-purpose tissues such as comeas.

electrons don't flow fast methods.

one of the most prom- The team isn't stopping too, has problems all its own. will be populated by with ising areas of modern there. Their current goals are It's difficult and very expens- non-polluting motor vehicles medicine. This field involves to "convince" tissues show- ive to produce gallium ar- is coming closer and closer,

Exciting alternative

tronics producers' researchreproduce itself into a square ogies) industry. But silicon this technology is that gerelse. has a problem. At frequen- manium also has highly mo-

burn areas. Because it is the semiconductor-based lasers, the devices' electricity con-

ZKM.

Center for Art and Media

ZKM-Museum of Contemporary Art.

The day when our streets nothing less than bringing ing complex geometries — senide with the needed unitarity thanks to the advances in fuel 4 1 existing tissue to replicate itsuch as ears, noses and even formity and purity. cell technology made by

Daimler-Benz. Fuel cells have been Based in Heilbronn, Temic around for a long time. In the has come up with an exciting cells, water is split into its alternative. The microelec- component elements: hydrogen and oxygen. When these Without silicon, there would ers have created ICs made of elements recombine, they be no ICT (information and layers of silicium and ger- produce electricity and heat large square of human skin to communications technol- manium. The advantage of a bit of steam, and nothing

Since water is available cies above a gigahertz - at- bile electrons. The new virtually free of charge and tained by today's mobile tele"layered chips" can be promotor vehicle emissions are
phones — it's lazy. Its duced using conventional suffocating the world's atmosphere, why isn't every Consumers will also profit vehicle already powered by The answer to build ICs from this new technology, such cells? Because conbased on gallium arsenide, a which will greatly improve trolling the splitting and explosive recombining of water has been completed, the new electrons and one that is transmission on mobile tele- has required heavy metal skin is transplanted onto the already incorporated into phones and which will cut plates and shields, making the fuel cells too bulky for

use in moving vehicles. Dairnler-Benz has gotten around that. Key among these breakthroughs: Rather than allowing the gases to recombine in a bot explosion; the company's PEMFC (proton exchange membrane fuel cells) system uses an electrolyte foil to keep the re-action "cold." This reduces the need for shielding.

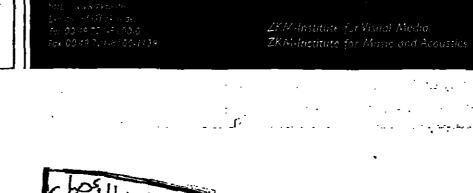
Third generation

Daimler-Benz premiered its third generation of fuel cellpowered vehicles in September 1997. Instead of water, they are fueled by methanol. which is widely available and easier to "split."

How long will we have to wait until we too can purchase one of these environ

mentally friendly vehicles? No time at all, according to Daimler-Benz Companies and scientific institutions wishing to buy single models can do so at any time.

Mass production of the vehicles is scheduled for 2004.



NEW MULTIMEDIA GENERATION PUTS THE REGION IN THE LEAD

Baden-Württemberg has overtaken the competition in computer education, entertainment.

t irst-generation multimedia products linked images, voice and data transmissions. The results were sophisticated computer games and fun displays that represent a \$22 billion world market.

Second-generation multimedia is about combining entire fields and networks in the ICT (infor- customers," says Ralf Steppat, mation and communication tech- managing director of the Suntnologies) sectors into hybrid sys- gart-based NextEdit. "This shift terns. These systems are giving a means it's no longer enough to new impetus to electronic commerce, marketing and product development.

legion of "second generation" multimedia services and product monitoring systems." providers. The purchasers are authorities and government agencies. Thanks to their natronage, the state's multimedia sector ranks number one among Germany, Switzerland and Austria, reports MultiMEDIA, a market esearch organization.

been a heavyweight in producing free prime inner-city real estate all constituent parts of multimedia devices and transmission networks: computer hardware, and software and communication systems and devices. IBM, Hewlett- pleted. Packard, Bosch, Siemens, Alcatel, Debis and SAP (now Germany's third-largest company in terms of market capitalization) maintain major production and development centers in the state. Baden-Württernberg has been Germany's center of electronic- did not exist, so NextEdit invenbased design and development ted that as well. Its range of inever since this activity first took

But the state's position at the forefront of this emerging sector was not a given. In fact, Baden-Württemberg was being written off as a "multimedia backwater" á few years ago. Buoved by an influx of American Internet and multimedia companies, the great-

A major change in the mul- multimedia product and service timedia market and concerted has issued from a company that governmental policies turned the believed in a provider's ability to ituation around.

For Germany's companies, way of booking orders and keep- areas. ing in touch with workforces and design a snazzy Web site with lots curity-of-access and operations foster this transformation.

NextEdit's recent work illus-Web sites for Stuttgart 21, an ambitious plan to put the city's train Baden-Württemberg has long station below-ground in order to for redevelopment. Both Web sites use virtual reality tools to show visitors in detail what the projects will look like when com-

> NextEdit's history is typical of the sector as a whole. Founded in 1990, it began life as a supplier of film and software programs and services tailored to the individual needs of its customers. The hardware needed to run the programs ventions includes parallel computers used to create and process graphic images. Five years ago, the company moved into on-line multimedia.

"Like Brokat, Astarte, Cinetic and the rest of the state's multimedia companies. NextEdit's key asset has been a solid base of workshops, educational events ted." local customer support, says and trade fairs under MFG's auser Munich area had emerged as Klaus Haasis, managing director pices. Germany's number one region in of MFG Medien- und Filmgesell-

deliver something new. And this credibility has stemmed from the the Internet has gone from being previous years of successfully an on-line billboard to a major working together in other ICT

Streamlining

Throughout the early 1990s, the successful evolution of Baden-Württernberg's ICT development and service companies into mulof moving pictures and voice- timedia experts benefited the balelopment. overs for the companies. Rather, ance sheets of both the companies themselves and their customers. ginate in Baden-Württemberg's and information fulfillment, se- The state government wanted to

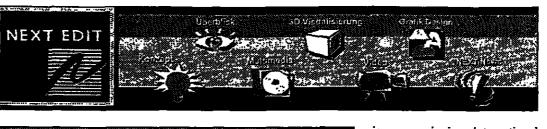
"Moreover," says Mr. Haasis, "leading officials had the vision large-sized companies, transport trates the breadth of second-gen- of Baden-Württemberg becomeration multimedia services. The ing the number one region in company has created interactive Europe for multimedia. But the films for Berlin's Potsdamer achieving of that objective Platz, currently the world's seemed to be in the distant future, largest construction project, and Everyone was working for himself, and there wasn't much sharing of information." To alleviate these gaps, the

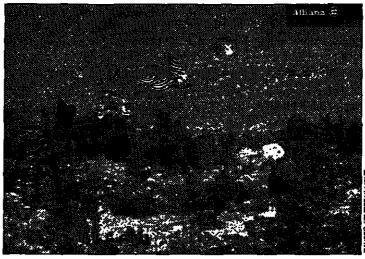
government launched "Baden-Württernberg medi@." This initiative has started up 89 projects. Its work is coordinated by MFG, which has also been charged with the carrying out of several individual projects.

Founded in October 1995, the public-sector corporation has been given a broad mandate: to foster the growth of the state's entitled electronic and broadcast media media." and film production industries. MFG's work is centered on disseminating expertise and information, and it also has executive and monitoring responsibilities.

Tools of the trade

One of the company's prime tools is networking. It brings together Baden-Württemberg's media companies and outside experts at





The "escape" key: create your own fantasy "Alfaquarium." Too photo: a menu.

from "data mining" and "Web- berg's communities and compacasting: direct marketing in the Internet" to "founding new companies in the communication sector" and "support available from the EU for the multimedia sector.

Another tool is the corporation's Web site (http:// www.mfg.de), which provides a complete overview of the state's multimedia sector and the companies, people and organizations comprising it. For those who prefer this information in print, MFG also puts out a magazine "Baden-Württemberg

A computer in every classroom This public-sector-initiated activity by no means precludes Baden-Württemberg's private sector from fostering computer use. Quite the contrary. Fifty of the state's most prominent companies and a number of its institutions have joined in founding ZMK moved into its new facil-*Baden-Württemberg: Connec-

Connected's goal, says Chairman Peter Landsberg, is to "build able space. The new center is the The events are numerous and a grassroots understanding and the field, followed by the city- schaft (Media and Film Society) diverse. Staged at a rate of about use of computers and on-line Baden-Württemberg. "Each new six per month, their subjects range technologies in Baden-Württem- generation multimedia compa- signs of quitting. His company is artificial images.

To that end, Mr. Landsberg, a long-time veteran of the world's communication industry, travels throughout the state, meeting with members of municipal govemments and local PTAs and other community-level organizations to drum up support for the installation of PCs in schools and of "on-line public offices" in town

every classroom in Baden-Württemberg," says Mr. Lands-Nor are the state's electronics-

based activities confined to com-

Founded in 1989, Karlsruhe's ZMK (Zentrum für Kunst und Medientechnologie/Center for Art and Media) has been at the forefront of blending advanced media technologies and the arts into new forms. In October, 1997, ities, a refurbished industrial complex with 36,000 square me-more on a project basis. They are ters (387,500 square feet) of us-based in both Germany and the largest of its kind in Europe.

nies are winning international prizes — and conquering world On the Internet, once content

has been up-loaded onto a PC (via a transfer from a CD-ROM), it can be sent around the world at no cost to users. But the Internet now offers publishers a new way of making money, thanks to SecoData's BrainShield. This SecoData's BrainShield. This dia's Oscar) at this year's install-software program scrambles text ment of MILIA, held in Cannes and other content into an inde-cipherable mish-mash. The en-Puzzle" was the winner of MILcrypted text is transmitted to the IA's "lifestyle and hobby" catuser, along with a secure reconstruction program, once payment has been received.

We call it publishing on demand," says Erland Wittkötter. CEO of the Konstanz-based company. "With BrainShield, it's also possible to create other on-demand products -- video, audio or games - or, in fact, entire virtual. pay-by-view libraries."

Based in Walldorf, SAP has become the second-most successful independent software producer in the world and Germany's third-largest company (by market capitalization). It was founded by people in their late twenties and early thirties.

Artful mix

"I want to see a computer in Another company founded by a young person is Rauser Advertainment, headquartered in Reutlingen. Thorsten Rauser was 17 when he started the company. Its initial activity was developing computer games for corporate customers, not an easy task for a computer developer of any age. The games have to be an artful mix of fun and advertising.

Rauser's success has made his company a leader in the advert-ainment field. The company now employs seven full-time staff members and works with 100 United States. Although he is now a ripe 25

moving into voice-controlled interactive "adventures." as well as the unexplored reaches of commercial-purpose screen savers. One of his products is Alliquarium, an underwater world tilled with diverting tropical fish. It was commissioned by a major in-

Movies and games

Having a hit movie is great. As the (ebbing) flood of Tamagotchis has amply shown, having a hot electronic toy is even better.

Such a fate very probably lies ahead for Ravensburger Interactive Media GmbH. Based in Ravensburg, this young company gamered a Milia d'Or (multimeegory. The product may well become much more than a simple hobby. Like Rubik's Cube, it is both simple to understand and maddeningly difficult to solve. It works like this: A video appears on the PC's screen. The video has been cut into many individual squares, each moving and rotating independently from the other. The object is to reconstitute the video into a single entity.

Ravensburger Interactive Me-dia was founded in 1996 and employs 10 people. The company's main specialty is creating "edu-tainment" products for children: games that combine learning and

Where do its ideas come from?

"Actually, mostly from our network. We work with creative people based as far away as the United States and Bulgaria," says Thomas Kirchenkamp, the company's CEO.

Millions of people saw the White House destroyed by marauding aliens in Independence Day." Many of the film's special effects were generated by 10 students and graduates of Ludwigsburg's Film Academy Baden-Württemberg. The film's director, Roland Emmerich, participated in founding the academy, as did Volker Engel, his director of special effects. Supported by Baden-Württemberg medi@. the academy has become one of the Baden-Württemberg's second- years old, Mr. Rauser shows no world's centers of the creation of

BADEN BADEN

GERMANY



KARAJAN WHITSUN FESTIVAL

Gala Song Recital

BARBARA HENDRICKS

Piano Recital

PRICE/CATEGORY

Barbara Hendricks

Krystian Zimerman

The Egyptian Helen

Category

La Traviata

I Masnadieri

KRYSTIAN ZIMERMAN

ROYAL OPERA HOUSE COVENT GARDEN

Next: June 10, June 12, 1998.

Giuseppe Verdl La Traviata

Prices in DM

IV

80,-

85,-

260,-

260,-

160,-

Ш

100,-

3.0.-

370,-

200,-

130,- 100,-

I

130,-

485.-

485,-

230,-

150,-

150,

600.

260,

V

50,-

60,-

180,-

180,-

Monday, June 48, 1998

I Masnadieri

THE EGYPTIAN HELEN

Opera in two acts Musical Direction: Christian Thielemann

HOTEL & TICKET: You can combine your festival hall

FESTSPIELHAUS

BADEN+BADEN

visit with a comfortable hotel stay - in combination with a ticket booking from the Festspielhaus und Festspiele Baden-Baden GmbH at favourable

rates, of course. Telephone: +49 (0)7221-3013-213

Festspielhaus und Festspiele Baden-Baden GmbH · Beim Alten Bahnhof 2 · D-76530 Baden-Baden

TICKET-SALES

I/We would like to order ☐ B. Hendricks For the (date): _____ at 8 pm tickets category: ☐ K. Zimerman for the (date): ____ __ tickets category: __

☐ La Traviata for the (date): _____ at 7 pm ____ tickets category: _____

☐ I Masnadieri for the (date): _____ at 7 pm __ tickets category: ___ The E. Helen for the (date): ______ at 7 pm ____ tickets category: ____

__ Signature: If tickets are no longer available in the requested category

we will send you tickets in the next higher category. ☐ I plan to book a hotel.

Please send me information material. Sender Name:

Town, Post Code, Country:

Send the order to: 14 All GarbH, Handwerkstrasse 15, D-70565 Stuttgart, Germany. You can also order by tax; +49 (0)711 78 61 29 90

 $\sim \gamma \approx 6$

: HELPERS

Media

HEILBRONN IS HOME BASE OF THE 'HIDDEN CHAMPIONS'

Relatively unknkown, small-to-medium companies can dominate their sectors.

set a new record for The country also recorded its ers are tested at the facility, largest trade surplus since which is maintained by 1989 and saw industrial pro- DZLR (Deutsches Zentrum duction rise by 3 percent. The für Luft- und Raumfahrt e.V/ lion's share of these increases German Center for Research stemmed from Germany's into Aviation and Space lutely forced by local market small and medium-sized Transport), the German conditions to do so. Our most companies - hitherto equivalent of NASA. The important asset is our stock thought to be an endangered enormous rocket stages species rather than a loco-weigh several tons. The know-how, and we don't

Though often criticized in produced by Scheuerle, reason, we now handle most the early 1990s as being too whose Pfedelbach headquar- of our production work rigid and not innovative ters are located 15 kilometers ourselves and do engage enough, these generally fam- south of Lampoldshausen. ily-owned companies have survived and are thriving large load, but Scheuerle's or layoffs.

Rocket science

rocket engine to or from sold outside Germany. Lampoldshausen. Like most hausen, 18 kilometers (11 teems with small communimiles) to the northeast of ty-based champions. Some, Heilbronn, is a center for such as Bürkert (based in In-

QUICK FACTS

Baden-Württemberg is home to:

• 9 universities, 38 polytechnics and 130 research institutes.

• 15 technology centers and more than 216 technology transfer agencies. • 25 world-class restaur-

• 45,000 cultural and sports associations, including 6,400 choirs and music ensembles and 90 amateur orchestras.

Regionalverband Franken,

Industrie- und Handelskammer Heilbronn.

Wirtschaftsförderung Raum Heilbronn

motive of economic growth. vehicles moving them are share it with anyone. For that

That may sound like a change. without undue outsourcing transporters can move items and firewalls has brought the weighing up to 10,000 metric company out of the receivtons. The company is what's ership it entered in 1991, called a "hidden champion": made its products 12 percent The Heilbronn region is a relatively small and virtually cheaper and raised output by good place to see these prin- unknown outside its sector, 50 percent over a three-year ciples in action, especially but dominant within it. Some period, according to Mr. during the transporting of a 85 percent of its products are

of the rest of the 4,764 square Schwäbisch Hall building Some believe the quality that gelfingen), produce items that the public might not see.

In Bürkert's case, they are electronics-based fluid conused in production, measuring, monitoring and regulatory applications.

Others manufacture some of the most familiar items. In the process, the company around. Two examples are created more than 4,000 the Würth Group, based in jobs. Künzelsau, the world's leading supplier of screws: and double-digit rises in both cat-Recaro, headquartered in egories, the company has known company for a far- is a delay in adding Schwäbisch Hall, which achieved these results by suc- away place, so winning or- craft to their fleet."

nce again, Germany high-tech enterprises. their businesses. "All the set a new record for The rocket engines for the world is talking about forgtotal exports in 1997. ARIANE family of launch- ing technology and production alliances," says Harald Suberg, Scheuerle's CEO. "We don't believe in them, nor do we enter into them, except when we're absoof proprietary technological in electronic data

This formula of insourcing

In addition to Audi, the Traders and producers

kilometer (1,839 square society (number one in its makes German companies mile) Heilbronn region, this sector in Germany) and a great producers — the drive small community is set in a smattering of other major to achieve perfection - extraders, because they are simply not flexible enough. Those who adhere to this

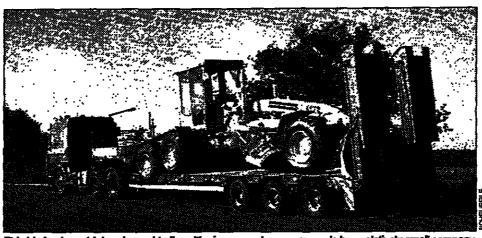
argument should consider the case of Würth. In 1997, the sands of people. Künzelsau-based company increased its turnover by 26 trol components and systems percent, to 6.15 billion Deutsche marks (\$3.38 billion), and its gross earnings (preliminary figures) by 17.5 percent, to 430 million DM.

Continuing a long string of manufactures airplane seats. cessfully entering 69 national ders from the American and Four of these hidden markets, each with different other major airlines wasn't Cultivating a coterie (including legislation, unwritten rules of easy," says Hans-Dieter Abt. The cultivation of a broad





The city teems with businesses that are well-known to their peers.



rolling forest. Yet Lampolds- players, the Heilbronn region plains why they are not great This big load — a triple-axie semi-trailer with air suspension — was made by a relatively small company.

ploying hundreds of thou-

'Through all the years of success, we've retained our small-company edge. Small companies are, after all, adept at finding and opening up new markets, whether they are in other areas of manufacturing or in other counadvisory board.

"We were a small unclastic approach to running taining this breadth of ac- could we compete by offer- ticle of faith with most man- prosperity, the company was

tivity would be challenging ing rock-bottom prices. Our ufacturers. Not so with Reeven for a multinational em- strategy was to invest heavily caro.

in building up expertise in national regulations, which are always complex and highly technical. Once we the top 50 of today's 1,400 had that - and thanks to the airlines," says Mr. Abt. legendary German perfection of engineering and pro-volved in the development of duction quality - we were our new products. Nor do we able to guarantee our cus- try to produce all kinds of tomers that buying our seats seats. Our area of specialty is tries," says Reinhold Wurth, meant no hold-ups with the the economy class.' chairman of the company's regulatory bodies. This is a The strategy is key advantage with the air- After having tripled its

Scheuerle) share an icono- operations and needs. Main- Recaro's president. "Nor range of customers is an ar- 1990s, after decades of

ing on building up close working relationships with "They are implicitly in-

The strategy is working. lines. The last thing they need turnover over the past several is a delay in adding new air- years. Recaro is number one in its market segment.

Bürkert's approach has perhaps been the most iconoclastic of all. In the early

in trouble. The problem: freedom extends to setting 'We simply weren't producing what the market wanted," says Gerhard Hett- plies. inger, the company's man-

aging director. To alleviate the problem, Mr. Hettinger split the com-pany's R&D activities in two. Older staff continued to develop existing products, cards. The younger workers were zero. assigned to a new companywithin-the-company. Their mission: to come up with the new products. They were given free rein to accomplish "It was the ultimate

black box [unknown quan-tity]," says Mr. Hettinger. The employees formed teams and began to develop new items. A half-decade later, the teams still exist, busily working on the next generation of products, and Burkert is once more a thriv-

ing corporation. The company's re-engineering has extended to the factory floor itself. Employees decide how they'll meet prices -- with an unbeatable corporate objectives. This

work schedules, mutual consulting and ordering of sup-

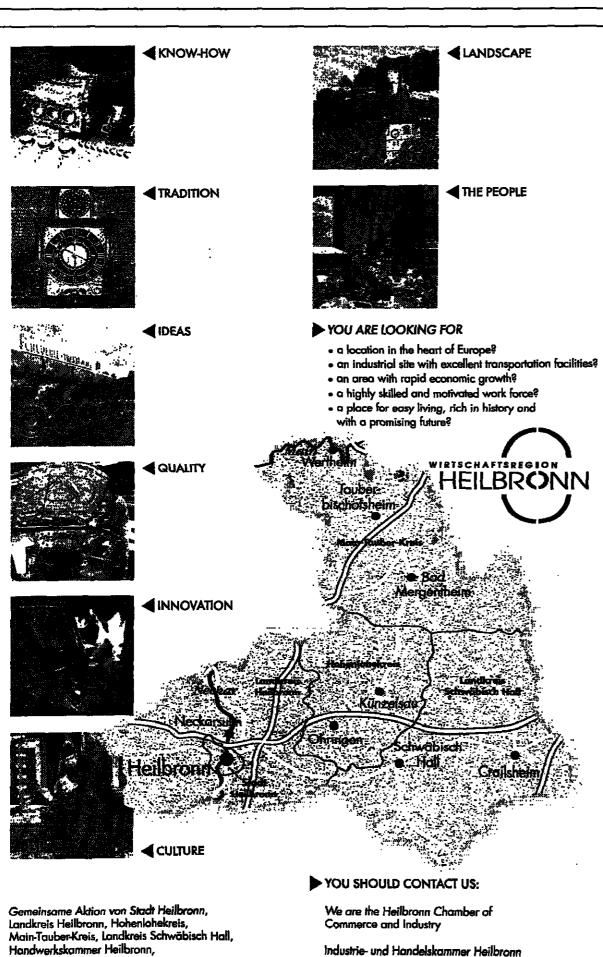
Power, American-style : The American-style exercise in employee empowerment has worked very well, with absenteeism and product discards diminishing to almost

While accomplishing all this. Mr. Hettinger has continued the company's expansion into international markets. Yet this expansion has not included large-scalepurchasing of components. in low-wage countries such as the nearby Czech Re-

'Unbeatable quality'

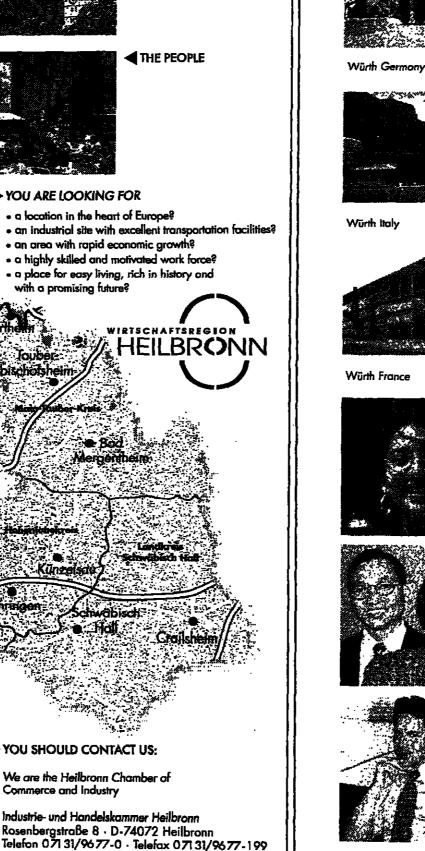
'There's no reason to," says Mr. Hettinger. "We have the Czech Republic right outside our front doors. Thanks to our region's productivity, our suppliers can manufacture their parts at competitive

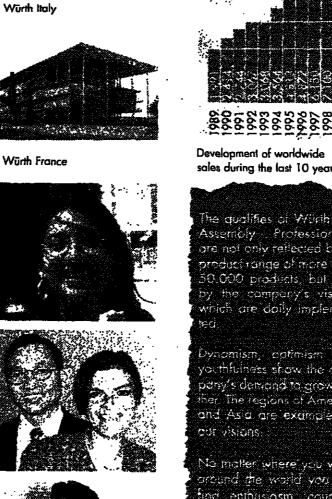
"Baden-Württemberg" was produced in its entirety by the Advertising Department of the International Herald Tribune. It is sponsored by the German Ministry of Economics, Schitag Ernst & Young and the display advertisers. WRITER: Terry Swartzherg, hased in Munich. PROGRAM DIRECTOR: Bill Mahder.

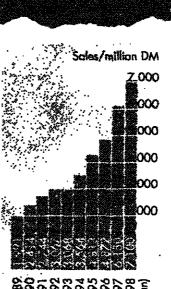


Rosenbergstraße 8 · D-74072 Heilbronn

E-Mail kessler@heilbronn.ihk.de

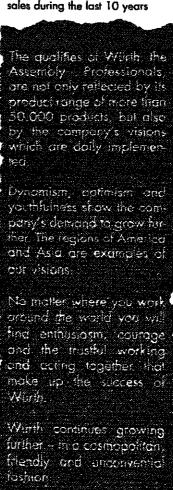






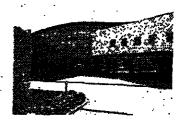
An enterprise stands out by its performance and visions.

sales during the last 10 years





Dr. Walter Jaeger in conversation with trainees



Würth Portugal



Würth Greece

WÜRTH - THE ASSEMBLY PROFESSIONALS is globally active with its 176 companies in 69 countries. It supplies craft as well as industry with screws, screw accessories, connecting and fastening devices, chemical and technical products, dowels, furniture and construction fittings, insulations, hand, electrical and compressed air tools, products for service, upkeep and maintenance, storage- and retrieval



THE ASSEMBLY PROFESSIONALS

For further informations please contact: Adolf Würth GmbH & Co. KG Postfach 74650 Künzelsau Telefon +49 - 7940 - 15-0 Telefax +49 - 7940 - 151000

LOCAL UNIVERSITIES ARE BLAZING A NEW TRAIL IN HIGHER EDUCATION

Baden-Württemberg's institutions are serving as role models throughout the country.

to the Bundesrat (federal council) for final approval plomas with international ncludes measures to de- validity. Baden-Württerncrease attendance time and berg's private schools increase the input from the notably the august Schule real world. Many of the Schloss Salem - have been

he higher education law were borrowed from the international baccalaurreform law recently legislation passed or pro- eate accepted as an altern- nics also offer relatively

ing needs is to award di- Exception to the rule measures contained in the the leaders in the drive to get

too long to turn out their school obtain their master's degree other institutions. or other diplomas in their late twenties and then find that they have not acquired the practical skills and inhold a job

Baden-Württemberg's Berufsakademien are a notable exception. During the three-year courses of study at these university-level academies of professional the-job training through inlarge numbers of companies supporting the schools and

The state's 38 polytechmany's parliament, the Bundestag and now going One of Germany's pression of Germany pression o In 1995, the polytechnic in Reutlingen was ranked as Germany's universities take Germany's best business too long to turn out their school by Manager graduates. Many students magazine, beating out 299

A growing school of thought holds that the only way to reform Germany's existing university system formation needed to get and is to develop privately run higher education. Baden-Württemberg is once more serving as a path-breaker.

None of Germany's growing ranks of non-pubbeen established as quickly months. education, students get on- as the International University. Located in Bruchternships offered by the sal. a bustling community of Set to begin instruction in ogies. It will not offer any of 41,000 in Baden-Württem- September 1998, the new the "Diplom-Kaufmann" participating in the shaping university will go from the three types of degrees: not recognized outside the drawing board to opening bachelor's of science, mas- country.

lic-sector universities has its doors in a scant 13 ter's degrees in business ad-

Opening soon

ter's degrees in business ad-ministration and master's the second university in 2000 and will have much in degrees in information and Germany to offer any kind common with the Internacommunications technolberg's northwest corner, the university will award only or other German degrees of instruction.

of degree at the bachelor's tional University — a level — and the first to have private-sector operation English as its sole language and (largely) funding, and an emphasis on turning out The Stuttgart Institute of graduates who already have



Learning is more than mastering theory; in these classrooms, computer and vocational skills prepare students for work in "the real world."

KNOWLEDGE IS MONEY

According to a recent article in the German business weekly WirtschaftsWoche, three of Germany's top five job-creators are located in Baden-Württemberg. They are Daimler-Benz (number 1); SAP (number 4), a software firm; and Debis (number 5), a Daimler-Benz subsidiary and a leading provider of computer and financial services. The magazine ranked German companies based on the number of jobs

they created in 1997 and on their projections for 1998. Debis and SAP are generally described as service providers, but that classification is incomplete. The services provided by Debis often have a large product-procurement component, and software is actually a product. For that reason, such companies are now being referred to as "knowledge-driven enterprises."

There are many such companies in Baden-Württernberg, and they are growing fast. The Stuttgart-based Schitag Ernst & Young provides a good example. Part of the worldwide consultancy group, the company has increased its tumover from 347 million DM in 1991 to 715 million DM in 1996. Along the way, it has created some 1,460 jobs. This rapid growth resulted from Schitag Ernst & Young's moves into such advanced fields as softwaresupported re-engineering. The company has become one of Germany's leading experts in the introduction and utilization of SAP software and employs more than 160 specialists in this field.

Many of Schitag Ernst & Young's other new-look services use SAP's systems integration products as their platform. These services include quality, environment, EDI (Electronic Data Interchange) and supply-chain management. At the same time, the company has remained a major source of business information and services.

Schitag Ernst & Young has joined with the other associate companies in the Ernst & Young group in putting out widely read reports on Europe's most innovative smallsized companies and on the European biotech industry. Like its group counterparts elsewhere around the world, Schitag Ernst & Young is also a major provider of tax advice, auditing, merger and acquisition, comptrolling and other standard business services. •

Continued from page 17

households traditionally bank at and borrow from their locally run savings banks and credit unions. Doctors, government officials and apothecaries patronize their own specialist financial institutions.

So is this a major change for Baden-Württemberg?

The answer is "yes, in several key areas," say senior officials at the banks. But as they point out, this change is banks on their customers. Quite the opposite. It is the customers and their new fi- expertise. nancial needs and interests that have impelled the alter- New services ation of Baden-Württernberg's financial sector.

Württemberg have gone global and are increasingly going public. These trends minded insistence on investhave created the need for a bank with a worldwide presence and a one-stop range of on saving for a rainy day. all trade financing and capital and equity financing instru-

the state's communities and to the good old savings ac- area. The savings banks, in companies in infrastructure count. And, they are not con- turn, are the owners of Sūdber, scope and complexity, particularly in the high-tech not being imposed by the creating the need for a bank with a very large pool of capital and project management

ing issued in state companies executives.

The companies of Baden- are being bought by Badenonce famed for their singleing their money in purchas-

THREE-WAY MERGER CREATES MULTI-SERVICE BANKING

Like many Germans elsewhere, the state's residents have discovered stocks and sector, are in strong demand.

will thus get new kinds and a of international partners. new scale of services. Aside from that, they won't be confronted with any changes, Many of the shares now be- point out the banks' senior

The retail business in the territory of the former cades, the L-Bank has also operation prevailing in the state's savings bank system.

banks is responsible for The investments made by bonds as a viable alternative serving a clearly delineated and industrial facilities and tent to invest only in German west LB, which supplies systems are growing in num-listings. American stocks, them with national and in- et" side of banking in the Südwest LB has also become ternational banking and other state. Its brief is to foster a major force in the largefinancial services, either on business and local, regional sized corporate banking busi-The new banks' customers its own or through its network and infrastructural develop-ness. But on the whole, say

Wide network

GEWERBEPARK

one exception. Its network of funds. outlets stretches throughout

Württemberg's residents, Baden-Württemberg's bank- kingdom of Württemberg It, developed an impressive ing sector will still be very too, holds an equity stake in roster of corporate customlocal in nature, because there Südwest Landesbank, which ers. generally large-sized inwill be no change in the two- also operates as its national dustrial corporations. The

> Each of the state's savings ity. It will, however, bring nance. together two complementary financial institutions.

istering a large number of The Landesgirokasse is the public-sector programs and

Over the course of the de- overdue." •

ing and building houses, and tier system of ownership and and international-level arm. bank has also successfully The merger will not affect moved into the specialized this division of responsibil- sectors of international fi-

> There is overlapping between the two banks. Both The L-Bank's area of fo- are active in all phases of real cus has always been the estate financing and develwholesaling and "big-tick- opment. Over the last decade, ment in Baden-Württem- analysts, the merger makes berg. It does so by admin- great sense. Voicing a widely held view, Handelsblatt, the German business daily, called the merger "long

Worldwide, the safe currency for a secure future: a home of one's own.

Experience and know-bou bave made Schwähtsch Hall the market leader in Germany, the Czech Republic and Slovakia. And more ople throughout the world will be benefitting from is expertise in the future

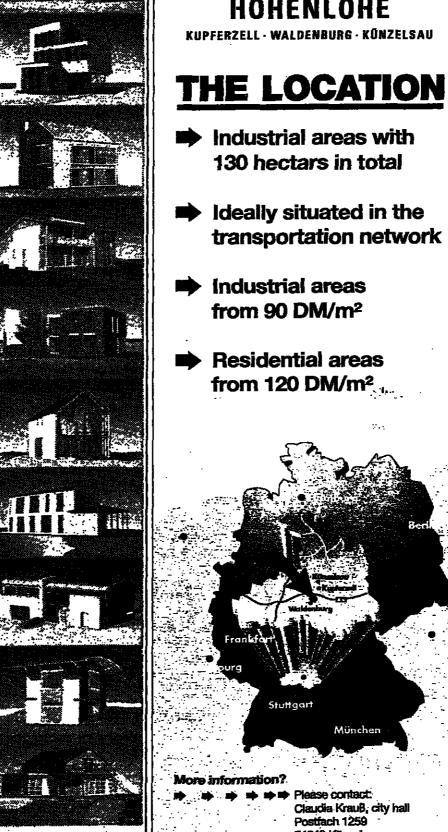
All over the world, home is where one's heart is. And if it's your own home, it's additionally a haven providing tasting security. For the family. For rent-free comfort in old age. For a safe future. A future that Bausparkasse Schwäbisch Hall is belping to build.

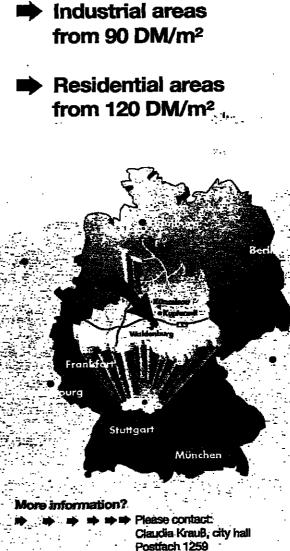
With 6.1 million depositors, 7.2 million contracts and a savings volume of DM 289 billion, Bausparkasse Schwäbisch Hall is Gennany's market leader. Since 1948, we have belied finance some 4.7 million new

buildings, apartments and modernizations. A success made possible not least of all by close cooperation with Germany's Volksbanken and Raiffeisenbanken.

Residential property is the currency with a guaranteed funce. Workfwide. That's why Schwäbisch Hall is actively commined to helping people become home owners beyond Germany's borders too. In Europe, but in South America and Southeast Asia 25 well. Because people everywhere oceci a secure future.







74642 Kunzelsau

Phone (+49) (7940) 129-160 Fax (+49) (7940) 129-161

Master of Science in Information & Communication **Technology** Master of **Business** Administration International University in Germany

Studying



Village of Bruchsal Establish your business Neighbouring five Universities and Academie



Bruchsal Germany

www.Bruchsal-XL.de

Watch out for



LEISURE CENTERS DRAW TOURISTS FOR THEATER, MUSIC AND MORE

New complexes offer everything from fine arts to haute cuisine, casinos and even hotels.

and other such festivals — are the biggest tourist draw, elsewhere. and the trend is growing, reports a study commissioned by Munich's IFO institute.

Two cities hoping to take advantage of this development are Stuttgart and Baden-Baden. Though offering different types of cultural attractions, they both rely on the same number of other reasons. formula build an opulent facility, fill it with world-class performers, and the world will beat a path to your door.

Southern Stuttgart is the site of Germany's biggest and newest culture-cum-leisure complex. People from all over Germany are heading to Stuttgart to see performances of hit Green Hill; its founding father was Richard Wagner. musicals like "Miss Saigon" and "Beauty and the Beast" in specially built theaters replete with technical wizardry and

hotel, 18 theme restaurants, a spa, a casino, six movie theaters and everything else needed for a night on the town. Located in southern Stuttgart, the 800 million Deutsche mark (\$444.4 operated by the Stella group, number one in Germany in the making and marketing of musicals.

As the crowds of theater-goers indicate, Stuttgart International is a success.

What's the key to success? Is it the appeal of the musical or the surrounding complex?

"The musical," says Steffen Ball, spokesperson for Stella. "It has to be a hit. If it's not, no one's going to make the trip to see the complex. Furthermore, the musical theater has to be easy to reach via rail or road, and musical-goers should be able to purchase tickets without any delay or difficulties A tradition of excellence

and good ticket sales organization - are in place, then the complex itself becomes very important as a place to go before historians of modern music. and after the show, or simply to go to when you don't have tickets for the musical itself," he adds.

Baden-Baden is chock-full of millionaires, with more than any other city in Germany on a per capita basis. Its cityscape is a rhapsody of villa-lined parks and hotels, connected by colonnades to a wonderfully quaint downtown. Many sectors of the city's broad-based business community are flourishing, especially those in the high-tech areas. But the town seminal source of the city's fabled wealth and beauty - is

For two millennia, the city has been one of the world's leading spas. Owing to sharp cuts in government social benefits. Germany's spas are suffering, and Baden-Baden is

Betting on culture

Over the past centuries, such luminaries as Victor Hugo, Franz Liszt and Leo Tolstoy came to take the waters . . . and stayed to gamble.

While it is still sumptuously alluring, the casino has not escaped unscathed from the pressures that are being exerted

n Germany, cultural events — along with the Oktoberfest by the growing number of competitors in Germany and

To turn around its tourist industry, the city has placed its bet on culture. On April 18, 1998, Baden-Baden's 120 million DM Festival House will be inaugurated. In addition to its importance to the city's economy, this event is notable for a

Luminous line-ups

It has been more than 120 years since a festival hall was launched in Germany. The last one was located on Bayreuth's

Baden-Baden's Festival Hall is not only the newest of its kind in Germany but is also the country's biggest venue for oulent façades.

The two theaters anchor a complex featuring a luxury be one of the Continent's most important cultural facilities if its founders — the Festspiele Baden-Baden GmbH — get

To make sure that they do, the founders have been sparing million) complex was officially inaugurated in 1994. It is no expense in scheduling a luminous line-up of performers and troupes. The hall will debut with the Vienna Philharmonic and the Chicago Symphony Orchestra, violinist Anne-Sophie Mutter and pianist Alfred Brendel.

The Herbert von Karajan Whitsuntide Festival is designed

to be the high point of the hall's season. The founders secured the rights to the festival, which the conductor had launched in his native town of Salzburg a half century ago, from von Karajan's widow. It will be a big-time venue with big names, but this is not

a guarantee that it will work. Star-studded festivals are, after , to be found everywhere in Europe.

Speaking in its favor are Baden-Baden's romantic appeal and "After all these factors — good musical, good location its track record of successfully launching cultural events.

Baden-Baden is especially well-known and admired by

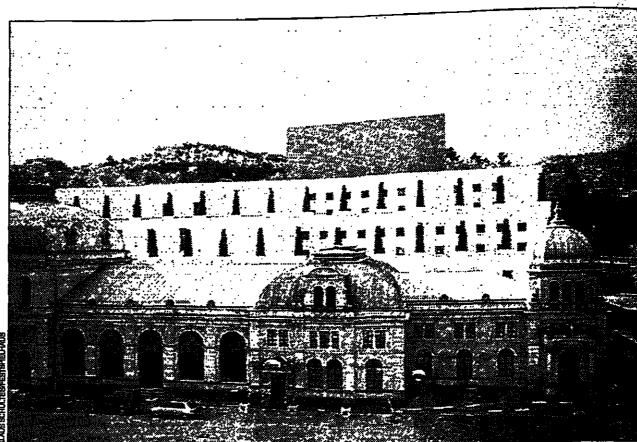
In the mid-1850s, Hector Berlioz played a series of acclaimed concerts. In 1880, one of Europe's first festivals of modern music was launched in the city. The musicians showcased included Berlioz, Richard Wagner, Franz Liszt and Carnille Saint-Saens, who was a star performer at the festival, playing the city's Voit organ.

Another festival of modern music followed in 1906. Its

focus was the work of Richard Strauss, who also conducted faces a serious problem: Its core industry - tourism, the the city's well-regarded orchestra. During the 1920s and early 1930s, Baden-Baden was a thriving center of avantgarde music. In the late 1920s, the German Chamber Music Baden-Baden featured premieres of pieces composed by Kurt Weill, Darius Milhaud, Paul Hindemith, Arnold Schönberg and many others. A number of Germany's most famous teachers of music, including Carl Fleisch, were residents of E

The tradition was revived in the postwar era. Since 1983. the city has been the venue of a musical festival.

"A whole generation knows Baden-Baden only from history books and novels. What is needed is an attraction that will activate this appeal, and the new festival hall fits the bill," says Ulrich Wendt, the city's mayor.





Culture for one and all: the Festspielhaus façade in Baden-Baden (top); a performance of "Beauty and the Beast" in Stuttgart (above)...

How your company remains liquid.

As customer of SüdwestLB, you will avoid hard times through intelligent financing. After all, SüdwestLB belongs to the hundred biggest banks of the world. As one of the big nationally and internationally active commercial banks of the Southwest of Germany and as central bank of the savings banks of Baden-Württemberg, we are a reliable financial partner for your company. Just contact us: SüdwestLB, Am

Hauptbahnhof 2, 70173 Stuttgart, phone: (+49) (711) 127-7010 or Augustaanlage 33, 68165 Mannheim, phone (+49) (621) 428-7010.



Südwestl Südwestdeutsche Landesbank



e Constance has some of Germany's oldest attractions, includg a 2,000-year-old collection of huts.

THE ISLAND OF FLOWERS GOES GREEN

The isle's new energy-supply system will reduce primary fuel consumption by 60 percent.

lessed with some of every tourist in Central the world's most Europe, including medieval the world's most idyllic spots, Baden-Württernberg has long been a leader in developing and us-ing environmentally friendly technologies and in instituting strict anti-pollution regand regulations are being used to keep those areas

idyllic. Aside from the lake itself, the isle of Mainau is probably the biggest tourist draw that Lake Constance has to offer. The lake has some of Germany's oldest and newest tourist attractions. The collection of primitive huts perched on stakes in the shalbe the oldest community on

German soil. The Zeppelin NTs flying above Friedrichshafen are perhaps the technological breakthrough that has captured the public's imagination more than any other. These ultra-light and ultrasturdy aircraft were developed and are now being verbial produced in Friedrichs-

Meersburg, home to winegrowers producing some of Germany's best vintages. Gracious Überlingen is a major spa and educational center. Konstanz has a centuriesulations. These technologies old center city and a futuristic

But Mainau is indisputably number one in terms of tourists per square meter. The 44-hectare (109-acre) island. located just north of Konstanz, attracts 1.7 million tourists a year. Visitors share the island with a Baroque palace and church and with millions of flowers: tulips, narcissuses, hyacinths, roses low waters of the lake near and dahlias (20,000 kinds of Uhldingen-Mühlhofen is the latter alone). Which of the 2,000 years old and is said to hundreds of species you enthe latter alone). Which of the counter depends, of course, on when you're visiting the

Season of roses

summer, the season of roses in Mainau. But the island is primary fuels by 60 percent. never out of season, not even in winter, thanks to the procłemency Mainau's

and other tropical and sub-tropical flora on the island. including Preiburg's "energy-autonomous house."

Many of these plants are nurtured in large greenhouses, which have, collectively, a tremendous need for

Today, in what is probably the most important move since 1853 - when Baden's cided to "say it with flowers" - the island's entire heating system is being will be highly energy sufrevamped. In a project sponsored by strikingly beautiful, includ-

Germany's Federal Foundation for the Environment. Mainau is getting an ad-vanced cogeneration plantbased energy supply system. The heat and electricity it will produce will stem from local, regenerative fuels: waste grasses, flowers and other GmbH & CockG, which is

The new energy-supply system, combined with the latest heat- and electricity-Most visitors come in the saving measures, will reduce the chocolate manufacturing the island's consumption of dynasty of the same name.

And that's just the start. Green thumb The foundation reports that of the long-term goal is complete microclimate, energy self-sufficiency. That which is responsible for the goal has already been The lake also has a clutch profusion of palms, peach achieved by a number of highof communities known to and orange trees, rosemary profile structures in the state,

Ambitious project The most ambitious project of its kind in the state -- and in Germany as a whole — is now under construction in Stutensee, a town located to the north of Karlsruhe. By Grand Duke Friedrich I de- the year 2000, one hundred apartments and houses will

> ing the aptly named parabola house. .o! A number of the environmentally systems used to supply Stutensee's

> houses with senergy will

have been completed. All

ficient. Some of them are

come from Paradigma Ritter Energie-Umwelttechnik headquartered!√ in:: nearby Karlsbad. The: Ritter" in the company's mame comes from Alfred Ritter, scion of

Paradigma is only one of Mr. Ritter's burgeoning empire. He has also founded a venture capital company, Ecovest, which makes space-age insulation from waste newspaper, and Solar-fabrik Freiburg, widely regarded as the most promising of Germany's new generation of photovoltaic cell producers.

Mr. Ritter has shown he has a "green thumb" in starting up environmental technology companies - with one significant exception. He funded a company that built electricity-powered automo-biles, which never took off.

Baden-Württemberg has been a pioneer in employing new environmental technologies and systems. The state has also been a trailblazer in taking often-unpopular measures to reduce pollution. These include passing and implementing a strict antismog law.

USEFUL ADDRESSES AND WEB SITES

MINISTRY OF ECONOMIC AFFAIRS Theodor-Heuss-Strasse 4

D-70174 Stuttgart Tel.: (49 711) 123 0 Fax: (49 711) 123 2126 Baden-Württemberg

> STATE TOURIST OFFICE: Esslinger Str. 8 D-70182 Stuttgart

GENERAL INFORMATION: Tel.: (49 711) 23 85 80

Fax: (49 711) 238 58 99

BROCHURES AND OTHER INFORMATION: Prospect Service Baden-Württemberg Wilhelmstr, 39 D-75013 Bretten

Tel. (49 7525) 93 77 30 Fax: (49 7525) 87 67 9

HOT NEWS, COOL GRAPHICS

Numerous English-language Web sites about Baden-Württemberg are available on the Internet. One example is www.webbes.de, which has information ranging from today's weather forecast and art exhibits to the state's hottest computer companies. It is equipped with a fairly powerful search engine; it also includes a list of other Web

The state government's Web site — www.baden-wuerttemberg.de — offers a full briefing on business, culture and official policies in Baden-Württemberg.

Especially helpful for those seeking business contacts in the state is the Web site maintained by the state's business development agency, www.business.germany-south-

'Hot shops'

MFG is the public-sector corporation charged with developing the state's media sector, and its Web site is a prime source of information. Users can gain access to www.artworld.com, www.antigrav.de, www.filmbilder.de and other whimsical Web sites maintained by local "hotshops" that report on the arts, cultural trivia and more.

The Web site of Karlsruhe's ZKM Center for Art and Media, www.zkm.de, provides up-to-the-minute information on the center's Museum of Recent Art. Museum of Media. Multimedia (including a mid-autumn festival of multimediabased arts) and much more.

THE DANUBE'S SOURCE IS A SOURCE OF DEBATE

Two key facts concerning the state of where in the state's southwest. The Baden-Wurttemberg are open to 240 kilometers flowing eastward question.

countries that pride themselves on gorges. The proverbial beauty of Ulm. accuracy and exhaustive knowledge. Tuttlingen and Donaueschingen And it might be an especially harsh; stems largely from their bridges and thing to say about Baden-Württem; riverside fisher houses and mills. berg, a state that considers itself

Spectacular scenery

The Danube is probably Baden-Wurttemberg's dominant geographic feature. The source of this 2,888

through the state provide some of This is a terrible accusation to Baden-Württemberg's most spectac-

But there is no agreement on exfamous for its passionate precision. | actly where the Danube's source is. sage through the state.

Nor is it known where the river disappears for a critical part of its pas-As Claudio Magni points out in his

wonderful book "The Danube," both

Danube. Which is actually the main river and which is the tributary, make almost anywhere, especially in ular scenery, including a range of however, is a question that has been said in a recent speech at a conriling Germany's geographic experts for more than half a millennium.

Pro and contra

Arising in the town of Furtwangen, the Breg, 48.5 kilometers long, has a lot of supporters, principally because it's longer than the Brigach. But the Brigach has a greater volume of water, rebut its adherents.

Both are wrong, according to kilometer (1,795 mile) river is some. Ithe Brigach (or Brigarh) and Breg (or Donaueschingen. It's there that the

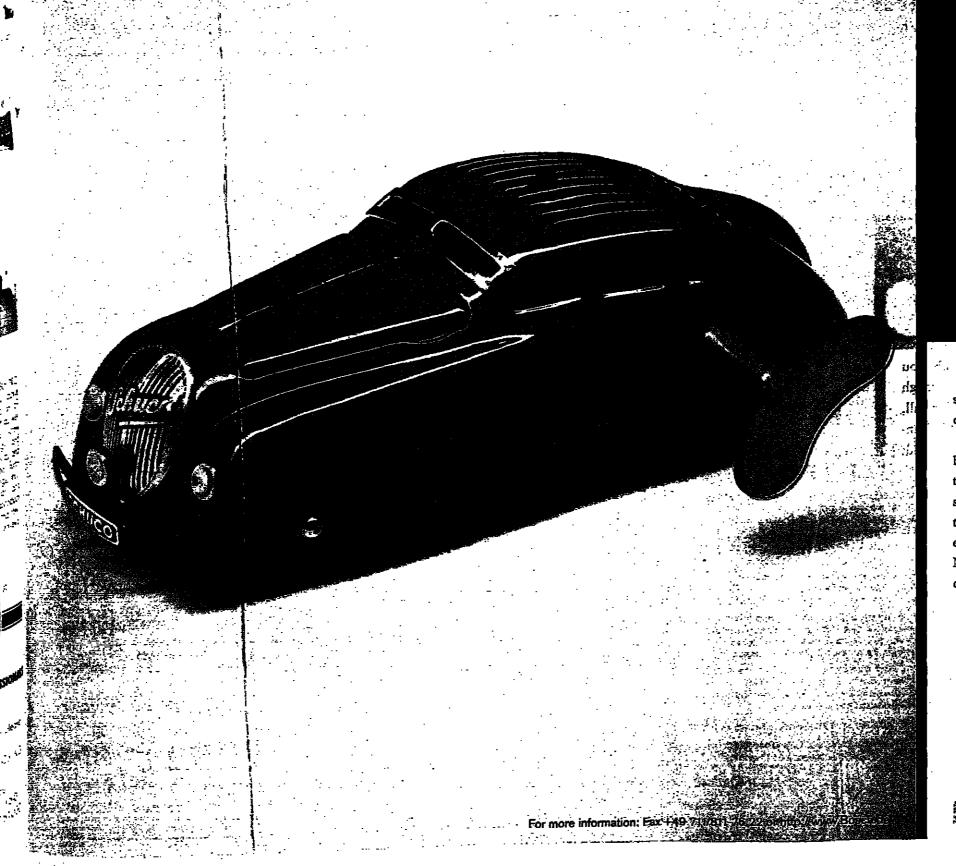
Brege or Grege) have equally valid two rivers unite, and there that a claims to be the true source of the spring produces a brook forming "the true beginning of the Danube," as Bernhard Everke, the city's mayor, ference held to resolve this burning question once and for all.

The other mystery: 30 kilometers downstream, the Danube disappears into a massif.

"We assume that the river going

underground at Immendingen and the one appearing at Fridingen are the same, but no one has conclusively proved it, and there are other theories," says Mr. Magri.

A car without Bosch



Imagine for a moment that your car doesn't have a starter motor, fuel injection or an ignition system. Imagine driving without airbags or belt tensioners.

In fact, imagine your car stripped of everything that has anything to do with Bosch. A car with no automatic transmission and no Litronic headlights. With no windscreen wipers, no alternator and no ABS. You'd also have to forget the Bosch car phone and navigation system. You'd even have to sacrifice your Blaupunkt radio. So what's left? Nothing. At least nothing you could drive. Though you could try pushing it.

Bosch. We bring innovation



BOSCH



MYSTICS HEAD FOR THE BLACK FOREST HEIGHTS

The mountaintops are far from the madding crowds. The higher you climb, the more rarefied the atmosphere.

in and around the town of Baiers-bronn — as well as clinics and roads.

The latter have been built to al- Pre-industrial peace low convalescents from around the world to benefit from the region's the pre-Industrial-Age peace that of mystics and other free-thinkers. Some of his friends are into buildsalubrious climate.

Fine fare and climate

The area's fine fare and climate

ome to the Black Forest on a from Basel, Frankfurt or Stuttgart, gin. Starting in the seventh century, a hamlet located at the top of this The trees are there, all right, mil-lions of them, but in their midst are spoiled. The little villages are con-many are still centers for retreats Mr. Schaub teaches social work gourmet restaurants — especially nected to each other and to the today.

inspired the mysticism of Hermann Hesse and other writers and

The modern age

holistic medicine, the crafting of mitting. medieval musical instruments by It was this peace and the relative hand - everyone on the Dachsberg draw masses of tourists. Add the safety offered by the inaccessible seems to have an alternative interest legions of hikers who trek down the mountains that attracted the Black of their own," says Werner Schaub. about the same thing - the ex-Black Forest's thousands of kilometers of trails, plus the picnickers many of them Irish in oriSchaub now lives in Wolpadingen, tion," Schaub notes.

summer's day and you might and you have quite a crowd. But they began making their way (lit-1,050-meter-high mountain. Also be disappointed. That is if don't despair. Just keep on going erally) up from the Rhine. They situated at the southern end of the you're expecting to commune in higher. The Black Forest is actually settled in the southern reaches of Black Forest, the Dachsberg forms splendid solitude with endless a mountain range, with peaks rising the Black Forest, founding mon-part of the Hotzenwald forest, ranks of trees.

to 1.500 meters (1,640 yards), and asteries and building churches in whose haunted spirits turn up in a

> Mr. Schaub teaches social work at a local polytechnic. In his free time, he goes in for African drumming and competing in local cross-In the modern age, the mountain- country skiing marathons. These tops have lost none of their appeal, come with a twist: the skier has to "Sufi dancing, various kinds of ing their own igloos, weather per-

> > 'Experiencing of self' "Whatever the hobby, they're all

The Länder offer unique opportunities to discover Baden-Württemberg's rich cultural heritage.

garded as the preserve of other-Tühingen in the time of Hegel. Hölderim and worldly visionaries and dreamers like their contemporaries.

Historically, Baden-Württemberg's center for poetry and philosophy was in Tübingen. Treasure troves Alumni of its university, founded in 1477. To see the original manuscripts of Schiller, include Johannes Kepler, whose discovery of Eduard Möricke, Ludwig Uhland, Wilhelm the principles of planetary motion laid the Hauff and other literary luminaries whose basis for modern astronomy.

and Georg Hegel.
Tübingen experienced many great moments. In the late 16th century, it was a center of humanism in Central Europe, but the apogee of philosophy and poetry in the city was indisputably the late 18th and early 19th centuries, when Hegel was busy formulating his dialectics in the universities' halls and adjoining cafés.

contemporary Friedrich Hölderlin (1770-1843) composed Its name notwithstanding, the museum on warm summer days.

"Astonishment. My mind is being eaten up by its pious efforts to apprehend the entire richness of sensation opening up in front of it." This passage from Hölderlin's "Hyperion" is said to have been inspired by Tübin-

A local theater troupe offers visitors the with stops along the way at the poet's favorite haunts to declarm his works to spectators and

Tübingen was also home to Johann (1764-1832), the publisher of numerous cel-buildings. ebrated German writers, including Friedrich von Schiller and Johann Wolfgang von

along with the municipal museum, whose - ringing endorsement. •

aden-Württemberg was once re- exhibitions recreate the look and feel of

Hegel, Hesse, Schiller and Hölderlin. Then Another attraction is the city's Kunsthalle, came Karl Benz, Gottlieb Daimler, Heinrich
Hertz and the rest of the industrious inventors and industrialists, and the state earned its

Amount amazinally lacking the celebrity and world-class collections of Germany's long-and industrialists, and the state earned its

Established museums, this "art hall" has current reputation for technological inno- repeatedly turned out blockbuster exhibi-

work was published by

Cotta, the curious must travel along the Neckar to Marbach, 15 kilometers (9 miles) to the north. Marbach is one of the great destinations for literary pilgrimage in Germany, thanks to Schiller, who was born in the pleasant, half-timbered town of 13,000.

Mementos of his life, times and literary output are preserved in the house where he was born. Many more are on view in the city's Schiller National Museum.

his verses in Tübingen in solitude. The Hölderdin Tower, in which the poet spent the last
decades of his life, is one of the wonderfully
whinsical buildings lining the Neckar River,
The river itself is spanned by medieval bridges, under which professors rowed punts to the mysticism-steeped work of Rainer Maria Rilke and Hermann Hesse.

The museum does not have to look far to find materials for these exhibitions. The German Literary Archive, located in the build-ing, was founded a half century before the museum.

The archive is a treasure trove of materials, containing the personal papers of more than a opportunity to hear this and Hölderlin's other thousand of Germany's writers and the entire descriptions of his favorite city during a collection of the Cotta publishing house, plus three-hour evening walk down the Neckar, 200,000 pictures.

Hermann Hesse was born in Calw, a town of 23,000 located in the northern reaches of the Black Forest. It is well worth a visit, for both the Hesse museum and for the city itself, Friedrich Freiherr Cotta von Cottendorf with its wealth of medieval and Baroque

"I have seen many a pretty city, from Bremen to Naples, from Vienna to Singa-Goethe.

The building in which the publishing house was located can still be visited today, strong pinch of local patriotism, it is still a

INVESTORS' GUIDE TO BADEN-WÜRTTEMBERG



invest there. where quality and technology are at home.



Place 00 49 74 22 / 29 - 235 • Fox 29 - 361 stressa 25 • 0 - 78713 Schrende

Wirtschaftsförderungsgesellschaft Villingen-Schwenningen

The place to contact if you're looking to

- set up a facility
- ✓ acquire commercial property
- expand your operations start-up a new company
- in Villingen-Schwenningen

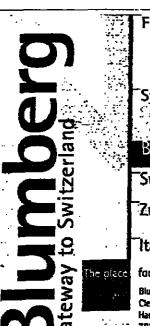
One of the main centers of business in the Black Forest-Baar-Heuburg region, this city of 80,000 inhabitants has a large-scale industrial community, and is home to a number of well-known companies.

For further information:

Markplatz 1 - D-78054 Villingen-Schwenningen



Tel.: (+49-7720) 82 10 51 Fax: (+49-7720) 82 10 57 E-Mail: wifoeg-ys@t-online.de



Frankfurt 3.00 h

Stattgart 1.00 h

Blumberg 0.00 h Switzerland 0.15 h

Zurich 0.45 h

Italy 3.00 h

for your business success: Ctemens Stahl

Hauptstraße 97 78175 Blumberg Germany telephone + 49-7702-5120 facsimile + 49-7702-5166



-münchingen

ਰ

stad

Right on the world's fastest

Located on Stuttgart's northwest border, our town has a population of 17,500. It is a pleasure to live and work in Korntal-

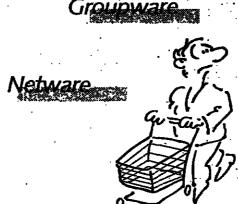
Our town offers:

 immediate access to Germany's superhighway grid. We are located right next to Germany's A 81 autobahn Stuttgart-Zuffenhausen.

commercial property in prime locations, ranging in size from 2,000 square meters to 30,000 square meters, configured according to your wishes and needs.

· a high quality of life, thanks to its excellent infrastructure and to its leisure-time facilities. Our town is the ideal base for manufacturers, retailers and service providers.

For further information, please contact: Korntal-Münchingen, City Government Office of Public Affairs and Property Mr. Reick Tel.: (+49-7150) 92 07-10 Fax: (+49-7150) 92 07-40



Ware in the world is the ICT sector going to now?

Quite often to the TechnologieRegion Karlsruhe, where mediaware is multiplying and melding ual sensations and measurements into referential works,

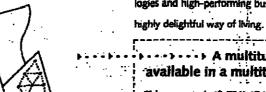
multitudes of individual sights, sounds and systems into a world of new multiplex mediaforms.

a multiplicity of individual PCs into integrated, worldwide roundtables.

Where in the world is the TechnologieRegion Karlsruhe?

Eight adjoining communities Baden-Baden, Bretten, Bruchsal, Bühl, Ettfingen, Gaggenau, Karlsruhe, Rastatt and two counties Karlsruhe and Rastatt, all located in Germany's southwest, all interconnecting

to form Germany's center of high performance technologies and high-performing business, and the home to a



TECHNOLOGIE REGION KARLSRUHE

· · · · · A multitude of Information available in a multitude of media

(+49-721) 174-260 Fax: (+49-721) 174-257 beckmann@karisruhe.ihk.de Internet: http://www.trk.de

TechnologieRegion Karlsruhe Dr. Karin Beckmann Lammstr. 13-17 D-76133 Karlsruhe

HE LEGISLATION OF THE PROPERTY
JE 13

Monday's 4 P.M.
The 1,000 most traded National Market securities in terms of dollar value, updated twice a year, MARIA SARANA SA 在特色素質以及植物,所有的性质的,但是是一种的性质的,但是是一种的性质的,但是是一种的性质的,是是一种的性质的,

Rissens Christian — Burcheuts Christian Christ Discourse of the control of the cont repossingendagenskriverender in der staten i

13 Monte High Long Shock

Entra Distanti di Control di Cont

A STATE OF THE STA

成化的点点 A B 医动脉管 B A **新香味的原文有是最好的表面** **松**

REAL PRINTS

| 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100

NYSE

Monday's 4 P.M. Close

INTERNATIONAL HERALD TRIBUNE, TUESDAY, MARCH 10, 1998 NASDAQ

Ser seed in the service of the servi Kompany
Kompany
Kompany
Kompany
Kompany
Kompany
Lambach
Lambac

Edrie ikenieten karen in isteriken isteriken isteren beren in isteriken isteriken isteriken in isteriken i 三角石の あって

TE LEGEN STEERS Silver State

POCICIS
PROCES
P

Sestimber Charter alies is a selection of the second of th

· 我们是我们的人,我们是我们的人,我们是我们的人,我们是我们的人,我们们的人,我们们的人,我们们的人,我们们的人,我们是我们的人,我们们的人,我们们的人,我们

A STATE OF THE STA

School Sc

.(1) 34e

SERENGERAGE AGERGARANGER KREGER KREGER STERENGER SERENGER STERENGER SER SERENGER SER SERENGER SER SERENGER SER

tare of the vert are decrease by the contract of the contract To mana ting a surface of the surfac

VLSI
Vanda de Vanda d and hard and which

MARKET STATE OF THE PROPERTY O See Street and the second of the second seco

YPF Soc Yorkin Zopata ZeigCoal 30 2.8 1511 48 1.1 41 19 1.8 24 20 1.8 24 20 1.8 24 1.00 1.8 4 1.00 9.3 16 1.2 5 15 1.2 5 15 1.2 5 15 1.2 6 9 21 1.2 6 9 21

n the world; to now?

美国的

19thborness

Herald Eribune SPORTS

England's Demand: **Players Must Tour**

RUGBY UNION Clive Woodward, the England coach, said Monday that Paul Grayson would not play in England's last two Five Nations matches because Grayson's club, Northampton, said it would not allow the fly half to tour Australia, New Zealand and South Africa with the England team this summer.

Woodward said Monday that he did not intend to select players whose clubs have pulled them out of

Northampton said last week that its players needed rest. (Reuters)

Drivers Can Follow Orders

FORMULA ONE The McLaren team will not be punished by motor racing authorities over the way Mika Hakkinen was allowed to win the Australian Grand Prix by his

teammate, David Coulthard. The International Automobile Federation's ruled Monday on a complaint by organizers of the Melbourne Grand Prix, where Coulthard slowed in the final lap on Sunday to let Hakkinen overtake.

The FIA said "team orders" specifying the finishing order within a team had existed since the beginning of the century. (Reuters)

A Century for Tendulkar

CRICKET Sachin Tendulkar hit 155 Monday as India made 418 for four wickets declared in its second innings on the fourth day of the first test against Australia in Madras. India set Australia 348 to win and removed the tourists' top three

batsmen for 31 runs by the close.

• In Port Elizabeth, Allan Donald, a South African fast bowler, and Paul Adams, a spinner, pushed Pakistan toward defeat on the fourth day of the third test. The tourists, chasing 394, ended on 120 for seven wickets.

Agassi Rises in Rankings

TENNIS Andre Agassi returned to the top 40 in the ATP rankings Monday after winning the Franklin Templeton Tournament in Scottsdale, Arizona on Sunday, Agassi began the year ranked 141st. He beat Jason Stoltenberg, 6-4, 7-6 (7-3), for his second victory of (Reuters)

Bradley Wins Doral

GOLF Michael Bradley holed a 6foot putt on the final green to beat Billy Mayfair and John Huston by one stroke in the Doral-Ryder Open

on Sunday in Miami. • In Austin, Texas, Casey Martin finished tied for 16th at the Nike Greater Austin Open, his first event since a court ruled he could use a cart. Martin shot 78 for an even-par total of 288, eight behind the winner, Michael Allen.

WORLD ROUNDUP No Surprises at Top Of NCAA's Chosen 64

Talent Gap Widens After Big 4: Duke, North Carolina, Kansas and Arizona

By Jack Curry

The names of the selected basketball teams pop up on the television screen during an anxious Sunday evening in March, like so many lottery winners. The schools learn who they will oppose, where they will play and what it is like to be one of the chosen 64 in the National Collegiate Athletic Association tourna-

And, so, the madness that is this

month begins again. There were no surprises at the top when the selections rolled across the televisions in dorm rooms, living rooms and barrooms Sunday night around the United States, because Arizona, the defending champion, along with North Carolina; Duke, and Kansas were slotted as the top-seeded teams in the four

The schools entered the past weekend as the four highest-rated teams in The Associated Press poll and are the favorites to strut into the Final Four in San Antonio, Texas, later this month.

Because North Carolina hammered Duke, 83-68, on Sunday to corral the Atlantic Coast Conference tournament, the Tar Heels (30-3) were anointed as the top-seeded team in the East and get to play in their home state at Greensboro, if they advance to the regionals.

The Blue Devils (29-3), who were ranked first nationally before the set-back, were placed in the South bracket. Kansas (34-3), which blasted Oklahoma. 72-58, for the Big 12 tourney title, leads the Midwest, and Arizona (27-4) will be the team to overtake in the West.

There is definitely a talent gap between these four schools and the rest of the field, which is why Duke and Arizona maintained top-seeded spots despite losing their final games and why C. M. Newton, the chairman of the ninemember selection committee, admitted there was hardly any discussion about No. 2 seeded teams like Connecticut or Kentucky overtaking the formidable quartet to move up to No. 1 spots.

The Big East, the ACC, the Atlantic 10 and the Big Ten each had five teams picked, and the little-known Midwest Collegiate had three teams selected, including Detroit, a No. 10 team that will be the first-round opponent of No. 7 St. John's, which is back in the tournament

in the first time in five seasons. Princeton (26-1), the Ivy League champion, which had the best winning percentage in the country and a No. 8 ranking in the AP poll, was perhaps the most difficult team to place and was given a fifth seeding. While the Tigers have a 19-game winning streak, they have not played a ranked school since December and their schedule is one of the weakest among the teams in the tourney. The Tigers will play Nevada Las Vegas on Thursday in Hartford,

Bill Carmody, Princeton's coach, who had earlier stressed that he thought his team deserved a No. 3 or 4 seeding, was diplomatic and said: "This is the highest seed any team in our league has ever had. The selection committee has a tough job, but I thought the No. 5 seed

Connecticut, the Big East champion, is seeded second in the East and should make life miserable for Fairleigh Dickinson in a first-round game Thurs-

day in Washington. If North Carolina and Connecticut win their first three games, they will meet each other in the regional finals. Iona (27-5), which won the Metro Atlantic Athletic conference, received a 12th spot and will face fifth-seeded Syracuse in its first NCAA appearance since 1985.

Even though Newton spoke of the depth of the tournament and mentioned that Connecticut, Kentucky, Purdue and Cincinnati are only No. 2 seeded teams and that Clemson, UCLA, Xavier and Arkansas are only at No. 6, the cream of college hoops this season has clearly been the four teams now sitting in No. 1

North Carolina will meet Navy on Thursday in Hartford as the Tar Heels' first-year coach, Bill Guthridge - Dean Smith's replacement — presides over his first game in the NCAA tournament. If the Tar Heels win and North Carolina-Charlotte wins its game, the teams will play in the second round. The schools have never met before.

Duke, which received a huge boost when freshman Elton Brand returned from an ankle injury sooner than expected, will began its march through the tournament by opposing Radford on Friday in Lexington, Kentucky. Kansas, the only team among the No.

I teams not to be ranked first nationally at some point this season, opens against Prairie View A&M on Friday in Oklahoma City.

And with Mike Bibby and Miles Simon, Arizona is as exciting as any other school in the tournament and is eager to begin the defense of its title Thursday against Nicholls State in Sacramento, alifornia.

Newton said there were 15 or 16 schools that were considered for the final few spots in the tournament and added that the committee focused on rewarding the teams that had strong nonconference schedules and won some of those games.

Newton, who is the athletic director at Kentucky, said the committee worked to keep the tournament national by not overlooking the smaller schools.

But after a series of questions about schools that were not picked for one of the 34 at-large bids, he said: "If you want to get into this tournament, win a championship. If not, regardless of conference, you have to be invited. That becomes very difficult."

FINAL FOUR EAST 1998 NCAA Men's Basketbali Tournament Friday Stanford (25-4) March 30 San Antonio March 28 San Antonio March 28 San Antonio laryland (19-10) UCLA (22-8) Friday emple (21-6)

Jayhawks Rip Sooners for Big 12 Crown

upcoming NCAA tournament. Roy

Williams, the Kansas coach, said,

"Paul was a pretty big factor, too."

KANSAS CITY — Kansas was without its 3-point specialist, Billy Thomas. Its Big 12 Player of the Year, Raef LaFrentz, was nursing a sore shoulder that limited him to two firsthalf points.

But Paul Pierce, a junior forward, scored 26 points as the No. 3 Jayhawks beat Oklahoma, 72-58, on Sunday to win the Big 12 tournament.

Pierce, who was voted the tournament's most valuable player, scored 14 of his points in a 29-10 rally that put the Sooners away in the second half. Kelvin Sampson, the Oklahoma coach, said he thought Ryan Robertson, the Kansas point guard,

was the star of the contest. "Pierce was not the difference in the game," Sampson said. "You expect him to play great. The difference was Robertson. If he continues to play

COLLEGE ROUNDUP BIG WEST In Reno, Nevada, Marcus Saxon scored 23 points and Utah State

won the Big West tournament cham-

pionship and an automatic NCAA berth by holding off a late rally to beat Pacific, 78-63, on Sunday. In tournaments finals reported in

late editions, Monday: ATLANTIC COAST CONFERENCE North Carolina won its 15th ACC con-

ference tournament as it beat Duke. ranked No. 1 in the United States, 83-68, in the tournament final.

The victory capped a three-day run in which the No. 4 Tar Heels (30-3) beat all three teams they had lost to

The triumph gave Bill Guthridge, the North Carolina coach, an ACC crown in his first season replacing Dean Smith

SOUTHEASTERN CONFERENCE In Atlanta, Kentucky won the SEC tournament for the sixth time in seven years, rolling to an 86-56 victory over South Carolina.

The Wildcats, who won their previous five tournaments under coach Rick Pitino, gave Tubby Smith a title in his first season. It was Kentucky's 21st tournament championship overall, 15 more than any other school.

BIG TEN In Chicago, Robert Traylor bulled his burly body over, past and through defenders for 24 points, 13 rebounds and most-valuable-player honors as No. 17 Michigan won the inaugural Big Ten tournament by beating No. 9 Purdue, 76-67.

Jordan Puts On His Old Airs As Bulls Defeat the Knicks

NEW YORK — Michael

a time warp at Madison

Square Garden. Wearing an original pair of New York, which lost its third Air Jordan sneakers from his rookie season, he scored 42 points and displayed some spectacular moves reminiscent of his early days as the Chicago Bulls beat the New York Knicks, 102-89, on Sunday.

Some of the moves seemed to be coming from 1984," Jordan said. "I kind of went retroactive today."

Jordan made a couple of the Wizards beat Philadelphia acrobatic, over-the-shoulder and moved within a half game shots despite getting fouled, of eighth-place Cleveland for hit fadeaway jumpers from all the final Eastern Conference angles, and dunked after mak- playoff spot. ing a 360-degree spin.
"I played up in the air a lot wolves 98 In Minneapolis,

y, but there was a need Vin Baker scored 27 points, said Jordan, who was 17- and Seartle erased a 13-point today, but there was a need for-33 from the field. "Since second-half deficit to force the All-Star Game, this was probably the best game we've played over the course of 48

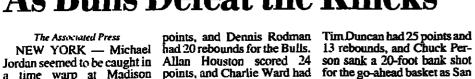
overtime.

It may have been Jordan's last game at Madison Square Garden because he has vowed to retire after this season if Phil Jackson does not return as the Bulls coach. Chicago management seems determined to bring in a new coach next season.

Jordan said he found the old red, white and black sneakers while "cleaning up at home" and decided to wear them as a "sign of appreciation for all the respect I

received here." That respect was apparent when Jordan received a standing ovation from the sellout crowd of 19,763 after leaving the game with 1:03 remaining and the Bulls ahead by 13 points.

Scottle Pippen added 25



Grizzlies 113, Raptors 106 In Vancouver, Bryant Reeves straight Lakers 96, Pistons 89 Shascored 15 of his 38 points in quille O'Neal scored 32 points the last three and-a half and had 13 rebounds as Los minutes as the Grizzlies ended an eight-game losing Angeles beat visiting Detroit. Wizards 100, 76ors 91 ln streak.

career-high 15 assists for Antonio won in Portland.

Clippers 100, Nuggets 89 In Denver, Eric Piatkowski Washington, Rod Strickland scored 29 points as the Los NBA ROUNDUP Angeles Clippers handed the had 26 points and 10 assists as

Nuggets their 15th straight In games reported in late editions, Monday:

Pacers 104, Celtics 100 In Indianapolis, Reggie Miller scored 25 points, and Dale Davis added 22 as the Pacers beat Boston for the third straight time this season.

Hornets 109, Nets 100 In New Jersey, Glen Rice scored Spura 82, Trail Blazers 78 31 points, and Anthony Ma-



Michael Jordan, sporting his retro shoes, driving to the hoop as the Knicks' Allen Houston tries to defend.

plays down the stretch as lanta's two previous games 33 points as the Hawks beat

Charlotte won its eighth with a sore right knee, scored Hawks 101, Cavaliers 96

Flyers' Cashman Gets a Demotion

PHILADELPHIA — Wayne Cashman, the Philadelphia Flyer head coach, was demoted on Monday.

Cashman was replaced by Roger Neilson, a St. Louis Blues assistant coach, but he will remain with the Flyers as an assistant coach. The general manager, Bob Clarke,

said he had been discussing the move with Cashman since the Olympics. We both felt that this was the right

decision for the club," said Clarke, who had criticized Cashman for the team's low aggressiveness this season. 'Even though I don't think 60 games is a fair judgment. I think he did a pretty

NHL ROUNDUP

were swept by the Detroit Redwings in the Stanley Cup final last year.

Under Cashman, the Flyers are 32-20-9, third in the Eastern Conference. Neilson, 63, has coached the New York Rangers, Toronto, Buffalo, Vancouver, Los Angeles and Florida.

At least Cashman bowed out with a victory. Alexandre Daigle's overtime goal lifted the Flyers over the Pitts-

Cashman's tenure of 61 games is the shortest for any Flyer coach. He re-outside the crease with 15 seconds left placed Terry Murray after the Flyers in the third period to send the game into overtime. With 56.5 seconds left in overtime, Daigle, obtained from Ottawa on Jan. 17, lifted the puck high over goalie Ken Wregget from the middle of the slot for his first goal as a Flyer.

Stars 1, Coyotes 1 In Dallas, Mike Modano's goal with 6:35 left in regulation gave the Stars a tie with Phoenix, extending the Coyotes' winless streak to nine games. Hurricanes 3, Mighty Ducks 1 In Ana-

heim, California, Keith Primeau and Martin Gelinas scored 37 seconds apart burgh Penguins, 4-3, on Sunday night. on Carolina's first two shots as the Jaromir Jagr scored Pittsburgh's Hurricanes won their fourth straight. on Carolina's first two shots as the

I WY LOUTED

Ray Nitschke, Packer Great Of the Lombardi Era, Is Dead

By Richard Goldstein New York Times Service

NEW YORK - Ray Nitschke, one of the most fearsome middle linebackers in the history of professional football and an anchor of the championship Green Bay Packer teams of the 1960s, died on Sunday in Venice, Florida. He was 61.

Nitschke, who had a winter home in aples, Florida, suffered a heart attack while driving to the house of a family friend, said his daughter, Amy Klaas, who was with him when he was stricken. He was pronounced dead at Venice Hospital.

The personification of the rough-andtumble linebacker who could smother a running back and level a quarterback with equal aplomb. Nitschke was elected to the Pro Football Hall of Fame in 1978 and was selected for the National Football League's 50th and 75th anniversary all-star teams.

His old coach, Vince Lombardi, once called pro football "a game that requires the son made two three-point Steve Smith, who missed At- constant conjuring of animosity." Nitschke was not huge — he stood 6 feet 3 inches (1.89 meters) and weighed 235 pounds (107 kilograms) — but he fit Lombardi's mold perfectly, once remarking: "My father died when I was 3, my mother when I was 14, so I took it out on all the kids in the neighborhood. What I like about this game is the contact, the man-

to-man, the getting-it-out-of-your-system."
Playing for the Packers from 1958 to 1972. Nitschke teamed up with fellow Hall of Famers such as Bart Starr, Paul Hornung, Jim Taylor and Jerry Kramer, winning five league championships and starring on the teams that won the first two Super Bowls, in 1967 and

Nitschke was an unheralded collegian, having been drafted in the third round after playing fullback at the University of Illinois. But he was named to All-Pro teams in 1964, 1965 and 1966 and was voted most valuable player in the Packers' 16-7 victory over the New York Giants at Yankee Stadium in the 1962 NFL championship game.

On a windy day, with the temperature 10 degrees Fahrenheit (minus 12 degrees centigrade) at kickoff, Nitschke recovered two fumbles and deflected a pass by the Giant quarterback, Y. A. Tittle, enabling another linebacker, Dan Currie, to intercept it.

That title game with the Giants was frigid

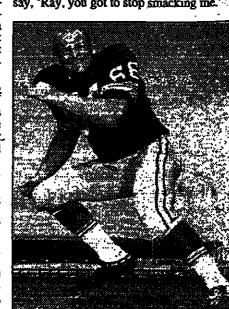
enough, but Nitschke would remember game five years later for the most difficult conditions he ever played in. That was the matchup known as the Ice Bowl, when the Packers played the Dallas Cowboys at Lambeau Field in Green Bay on New Year's Eve 1967 for the right to advance to Super Bowl II: The temperature at game time was 13 degrees below zero Fahrenheit, but the teams put on ad exciting show into the final seconds, when Starr scored on a quarterback sneak to give the

Nitschke, who made his permanent home in Green Bay, often attended Packer practices, traveled to many road games and chatted amiably with fans who approached him for autographs, in contrast to his fierce presence on the field. But the fire within still burned.

A few days before the Packers won the 1997 Super Bowl, the star defensive end Reggie White remarked on that.

Packers a 21-17 victory.

'Ray Nitschke, Willie Davis, Bart Start, they come around," White said. "Nitschke," he's really intense. He'll come over and smack you in the face and say, 'You can't lose this game.' He's like a coach, but after a while you say, 'Ray, you got to stop smacking me.'



NEVDSRIPS

Sahirday in

171 420 0327

And I'm THI MOLE

417 20 638

Ray Nitschke, a linebacker, was named to All-Pro teams in 1964, 1965 and 1966.

趣TBAL us: 152.402

gran Base Base

. E 3.

4 A 1997

SPORTS

Stubborness Gives Graf The Fire for A Comeback

By Robin Finn

INDIAN WELLS, California — Last hine, Steffi Graf virtually crawled away from the French Open, and from her

She wound up inside an operating morn. The doctors who repaired her suptured patellar tendon and cartilage tears told her she would eventually walk again, and painlessly, but nobody guaranteed she would be able to take up where she had left off and become once there the most powerful woman ever to grace a tennis court.

Then again, nobody dared to tell her she was finished as a professional athlete, either. Now she is two tournaments into a comeback that proves the extent to which her determination defies conventional logic.

Graf made a pact with herself to drum her body back into fighting form. For Graf, now ranked 45th but seeded third Here at the State Farm Evert Cup thanks to a special injury exemption, tennis is not over until she says it is.

Graf beat Tamarine Tanasugarn of Thailand, 6-4, 6-0, in the second round

of the Evert Cup on Saturday.
"I always felt that I could walk away from tennis when the time came, but to have an injury force me out, not to be able to choose my own time or place to stop, well, that is something I can't accept," Graf said. "As soon as I knew that my knee could take it again, and of course there were months when I



Conchita Martinez of Spain defeating Maria Alejandra Vento of Venezuela, 6-7 (0-7), 7-5, 6-3, in the second round of the Evert Cup.

thought maybe it never would, then I Hannover, Germany, to play her first knew what my direction had to be. I had match since the 1997 French Open.

Humility was never her strong suit as she won her 21 Grand Slam championships and finished eight years as the No. I ranked woman. But stubbornness took Graf far, and it continues to work

She knows she is not a youngster anymore. By the time Wimbledon rolls around, she will be 29. She knows her knee is weaker than it once was; she has learned to live with a little limp. And though she knows that figuring she can become a champion here, or anywhere, is not a safe assumption to make, she also knows something else: She can be the champion of her own comeback.

"It's a different me who's out there now," she admitted. "It's gotten more complicated, and it's gotten more emotional."

Graf burst into tears when the audience burst into applause as she walked onto the doubles court last month in

"I never imagined that the people would react like that," she said. "It shakes you up, but in a good way. I tend to get nervous because it makes you think how much maybe it does mean to be back playing again. It gets difficult to concentrate, especially when your confidence isn't where it could be."

'It either happens or it doesn't happen," she added. "There's no timetables, no goals."

Actually, there is a modified goal: To do well in the Slams; that's the only goal I'd put into writing right now. But s there, yeah."

'Having been a champion before should not prevent a player from com-ing back and playing if that's what they really want to do," said Heinz Gun-thardt, Graf's coach. "It doesn't mean you have to come back and finish at No.

"I think there's still a fire in her, a burning to compete.

1,439 1,429 1,216 1,129 1,114 1,005 961 880 889 784 717 487 464

Armstrong Takes Long Road Back

But Return After Cancer Is Temporarily Halted in Paris-Nice

By Samuel Abt

ARIS — Lance Armstrong didn't get very far in the second race of his comeback, dropping out Mon-day on the first long stage of Paris-Nice, but not to worry, team officials said. "A comeback takes time," said Johnny Weltz, the U.S. Postal Team's directeur sportif, citing the extreme cold and strong winds on the course.

In other words, it seemed to be just a bump in the road in what Armstrong calls his second career.

His first career was a pretty good one, wasn't it? World road-race champion just before his 22d birthday, he also recorded victories in two daily stages of the Tour de France, in the Fleche Wallone and the Classica San Sebastian, a World Cup classic. By the summer of 1996, he was ranked sixth among the

world's professional bicycle racers. Then, that fall as he turned 25, he discovered he had testicular cancer. It had spread to his lungs and brain. After intense chemotherapy through December of that year, he sat out the 1997 season, "It was a vacation," he says.

Armstrong worked on his woeful golf game, traveled with his fiancee, passed medical checkups, spent a week in a musical tour of North Carolina with Jakob Dylan and the Wallflowers, organized a foundation to promote cancer awareness, sat at his home in Austin, Texas, and watched the seasons change, even rode his bicycle occasionally. "In '97 I lived the life of a vacationing retired cyclist," he says. "And it was the

greatest year of my life. Absolutely." He was talking during the weekend in a hotel in the remote town of Orgeval, France. A bright lights, big city guy. Armstrong had hoped to be closer to Paris than this hotel offering little more

CIFIC DIVISION

33 16 16 82 194 158

28 22 11 67 176 161

23 30 10 56 160 181

24 30 7 55 152 164

19 31 12 50 164 189

20 33 9 49 146 189

19 34 104 187

223

3-Betfoor. 2 8 1--3

PACIFIC DIVISION 33 16 16 28 22 11

than a view of the A13 autoroute. "Nothing's changed," he grumbled. That was a good sign: In his first career, he often complained about the way bicycle teams are treated by race organizers. It showed he was in form.

In fact, everything had changed. Primarily it was the sight of Armstrong, fresh from his massage and shower, looking lean and race-ready in the casual uniform of the U.S. Postal Service team.

Last month, in his first race after an 16-month absence from the sport, he finished a splendid 15th in the Ruta del Sol five-day race in Spain.

TOT MANY people expected to see him racing again, especially after he visited the Tour de France last July and told friends how happy he was away from competition. Armstrong has no financial problems, having spent his money conservatively, as he says, and invested it wisely. Why

is he racing again?
"It was hard to come back," he said,
"it was a big sacrifice. Before, cycling was my life and I treated it as such. It was a job, it was a very hard job and it was something I focused on 100 percent. For a year I just assumed it was gone. So mentally, for 12 months, I learned to move on, to live without cycling.

"Now, to come back, you're reintroduced to how hard it is, to how much focus it takes, how much time you're

away from home, how dangerous it is.
"I'm not here for myself," he said, leaning forward in his chair. "I'm not here for the sport, I'm not here to promote cycling in America. "I'm here for the cancer community.

Bottom line. If it wasn't for them and the big question mark that was put on me and the doubt that was put in me, I wouldn't have come back.

"I think there's a lot to prove for a

person that's been sick, that's been treated, that's recovering. I'm trying to prove it can be done. It's never been attempted. It's not as if there's been any. standard set. It's never been attempted in an endurance-intense sport like cycling. Most people said it couldn't be done.

"I'm healthy, I'm representing a world of cancer patients, families of patients, oncologists, researchers, everything. My situation was bad, very bad, and now I feel wonderful. And the best way to relate that is through my

performance. Those are what he calls the positives. There are negatives, too. He is angry that the governing body of the sport stripped him of all the points he earned, dropping him from 1,300 to none, and that few teams were interested in hiring him since he had no points, which determine; the major races a team is invited to.

He shifted in his chair, smiled and fluttered his hand. "Ah," he said. Back. to positives. Armstrong is happy with living and training conditions at his new apartment on the Cote d'Azur in France, he will get married May 8 in California, he is excited about the work his cancer-

awareness foundation is doing. Beyond this season, his plans are uncertain. "I'm certainly not signing now." any contract for next year," he said.
"I have to decide a lot. First is if I've

done everything I set out to do in the second career. The first career, I'm happy. I could walk away from the first. career, results-wise. The second career, have I proven to myself and the cancer; community that I can be competitive

'In a lot of ways, I've already done; that at the Ruta del Sol. I can almost stop. now. I set out to do what I want to do and I was a lot closer to packing it in after Ruta del Sol than many people think. Just because I proved it.

SCOREBOARD

BASEBALL **EXHIBITION BASEBALL** to & New York Yankees 5 r Big 12 Crown Segitle 12, Colorado 7 Chicago White Sax 9, San Francisco Anobeim 9. Artzona 4 Chicago Cubs 9, Oakland 5

BASKETBALL b. "-ELS" ERN COMPERE NBA STANDINGS

NTRION L Pct 19 .694 26 .567 29 .532 Chicago Indiana Charlotte Atlanta Geveland .705 .623 38 23 .623 36 24 .600 32 29 .555 29 30 .492 27 34 .443 13 47 .217

-, -) • 4 2 ST DIVISION
43 16 .729 —
41 20 .672 3
32 29 .525 12
30 30 .500 13%
15 45 .250 .28%
13 48 .213 31
5 57 .081 .39% DENNIS THE MENACE

3-3 15: P: Subonis 9-14 5-5 23. Rider 9-23 5-7
23. Rebounds—Son Antonio 49 (Duncon 13),
Porland 48 (Subonis 17), Assists—Son
Antonio 25 (Johnson 5), Porland 19
(Brunson 5). FIG UNISON
46 15 .754 —
42 18 .700 3½
39 21 .650 6½
34 25 .576 11
26 36 .479 20½
13 47 .217 32½
13 47 .217 32½ Tarento 24 31 28 21—166 Vancouver 38 25 19 31—113 T: Brown 7-14 3-3 21. Christie 7-16 2-4 17; V: Reeves 12-18 14-18 38. Abdur-Robim 5-11

STREETS YAGRES 28 20 24 32— 96 22 23 29 27—101 Amount C: Person 9-16 2-226. Knight 6-11 4-6 16; A: Smith 12-17 8-9 33. Blaylock 7-16 3-6 18. Rebounds—Cloveland 40 (Kemp 7). Atlanta 69 (Autombo 19). Assists—Cleveland 25 (Knight 7). Atlanta 18 (Blaylock 6).

TATUSTIN 17, PARKING 18 (Blaylock 6).
Bestine 21 22 26 21—100
Indicate 27 22 22 21—104
B: Anderson 7-13 3-5 17, Mercer 6-13 4-4
16: L-Miller 8-16 7-7 25, D.Davis 10-12 2-3 22.
Rebosads—Boston 50 (Wolker, DeClency 8).
Indiana 39 (A.Davis 7). Assists—Boston 18
(Anderson 12). Indiana 25 (Jackson 11).
Charlotte 22 24 28 27—1 na (Ancesson 12), maiorid 25 (rocuson 11), Charlotte 22 24 25 27 77 199 New Jersey 29 29 20 22 700 C Rice 10-20 7-7 31, Geiger 6-13 6-5 18 N.J.: Kittles 8-182-221, Von Horri 9-190-020, Cossell 5-17 10-10 20, Rehounds—Crisrio

45 (Mason 15), New Jersey 38 (Van Horn 9). Assists—Charlotte 17 (Mason 6), New Jersey 21 24 27 19— 91 31 23 27 19—190 13 21, Rottiff 6-9 4-4 16.

Lakers: O'Neal 12-19 8-16 32, Fax 8-15 5-6 22. Rebounds—Defroit 44 (Hill 12), Lokers 53 (O'Neol 13), Assists—Defroit 21 (Hill, Hunter

COLLEGE TOURNAMENTS RIG 12 CONFERENCE

8-8 19. Rebounds—Toronto 42 (Christie 6), Vancouver 56 (Reeves 11). Assists—Toronto 20 (Miller 8), Vancouver 26 (Mayberry 7).

20 (Injust 8), variouver 20 (Moysterly 7).
Chicago 28 15 37 28—102
New York 37 15 25 18—89
C: Jordon 17-33 7-9-42, Pippen 10-192-225:
N.Y.: Houston 11-20 1-224, Johnson 9-142-4
20. Rebounds—Chicago 57 (Rodmon 20).
New York 43 (Oxidey 14). Assists—Chicago
27 (Pippen 10-194). Assists—Chicago

Desiver 22 33 16 17—89 Clippers: Picilicorsid 10-15 6-6 29, Murroy 6-11 6-7 19; Dr. Lellis 7-14-5-20, Buttle-6-80-012. Rebounds—Clippers 43 (Austin. Pic-lorisid 7), Denver 49 (L.Ellis 10). Assista-

THE AP TOP 25

Pes
4
2 Dollos
1 Detroit
2 St. Louis

Massachusetts 37, George Washington 32, UNLV 30. Rhode Island 24, Hawali 16, N.C.

Vanctover 17 34 148 1722

Pittsburgh 0 2 1 0-2

Pittsburgh 0 2 1 0-3

Pittsburgh 1 1 1 1 1-4

1st Period: Philodelphia Sillinger 14

(Brind'Amour, Kloff) (pp). 2d Period: Pittsburgh Werenka 3 (Long) (pp). 3,

Philodelphia LeCiair 39 (Desjardins, Zubrus)

4 Pittsburgh Verenka 3 (Long) (pp). 3,

Philodelphia Dedein 8 (Doigle, Brind'Amour)

Shafs on gent: Pittsburgh Jogr 29 (Harkther, Francis) 07: 7, P-Doigle 8 (Brind'Amour)

Shafs on gent: Pittsburgh 10-77-3-27.

Philodelphia 49-13-3-29. Goollest: Pittsburgh Weregest. Philodelphia Hextols.

Phoenix 0 1 8-7

Datible 0 1 8-7

Ist Period: None. 2d Pariod: None. 3d Period: Phoenix, Normminen 7 (Golant.) 151 Period: Note: An Period: None: In Period: Phoenix, Normaline: 100e: In Roenick) (pp). 2. D-Modano 21 (Sydor, Lukowich) Overfilme: None: Storts on goot: Phoenix 10-14-92-34. D- 7-10-51-22. Godines: Phoenix, Khabibulin. D-Betfour. NHL STANDINGS

BUT THAT POESN'T MEAN

nen, Barri 2, Carolina, Feiñass 9 (Hill, O'Nell) 2d Periot: Nane. 3d Periot: A-Salet 5 (Cullen, LeBoultilier) 4, Carolina, Roberts 14, Shots on good: C-414-14—32, A-8-4-10—22, Godies: CRICKET SOUTH AFRICA VS. PAKISTAN

THIRD TEST, FOURTH DAY SONDAY IN PORT ELIZABETH, S. AFRICA th Africa: 293 and 206-7 declared HONDAY IN MADRAS, INDI

THREE-DAY MATCH, 20 DAY AT LUNCH MONDAY IN BRIDGETOWN, BARBADO wice: 472-6 decigred

THREE-DAY MATCH, FINAL DAY EDAY IN JOHANNESBURG, SOUTH AFRICA Gauteng: 296-7 declared and 203-8 decla Sri Lanka: 243-8 declared and 138 alt out.

GOLF

Ryder Open, played on Doral Golf Resort and Spa's 7,125-yard, par-72 Blue Course in

and Spa's 7,125-yard, p Milami, Florida: Michoel Bradiey, U.S. John Huston, U.S. Billy Mayfat, U.S. Vilay Singh, Fili Alice Brisky, U.S. Stewart Chit, U.S. Stewart Chit, U.S. 68-71-71-71-281 70-68-71-72-281 73-72-70-67-282 Stewart Cark, U.S., Dow's Love 3d, U.S., Scott Hoch, U.S., Tim Herran, U.S., Jim Furyk, U.S., Len Matfiace, U.S., John Cook, U.S., 72-66-74-70—282 70-67-76-70—283 Bob Twoy, U.S. Tiger Woods, U.S. 70-49-71-73—283

WORLD GOLF RANKINGS 1. Tiger Woods, U.S., 12.64 points 2. Emie Els. South Africa, 10.91 3. Greg Norman, Australia. 4. Davis Love III, U.S., 9.37 5. Colin Montgomerie, Britain, 6. Nick Price, Zimbabwe, 8.71 7. Phil Mickelson, U.S., 8.65 B. Mosashi Otoki, Japon 8.24 9. David Deval, U.S., 7.63

11. Justin Leonard, U.S., 7.12

Mark O'Mears, U.S., 68

13. Brad Foron, U.S., 6.38 14. Tom Watson, U.S., 6.38

ATP PANKINGS I. Pele Sampras. U.S., 3,716 poin 1. Pete Sampras. U.S., 3,716 points
2. Petr Korda, Czech Republic, 3,377
3. Petrick Rafter, Australia, 3,211
4. Yevgeny Kafeinikov, Russia, 3,027
5. Jones Bjorkman, Sweden, 2,916
6. Greg Rusedski. Britain, 2,812
7. Marcelo Rios, Crille, 2,777
8. Michael Chang, U.S., 2,486
9. Alex Correlpa, Spain, 2,551
10. Richard Krajicals, Metherlands, 2,308
11. Gusthan Kausten, Barzil, 2,930 DORAL OPEN

11. Gustavo Keerten, Brozil, 2.250 12. Karol Kucera, Slovakia, 2.171 13. Felix Mundiika, Spoin, 2,108 14. Mark Philippousals, Australia, 15. Sergi Bruguera, Spain, 1,963

SOCCER OTRMAK EUNIDESLIGA

nis: Boyem Munich 47; Boyer Leverkusen points; Boyert Munich 47 Boyer Leverkusen 45 Schmike 41; viB Stutigart 40: Honso Rostock 35: MSV Duisburg, Werder Bremen 34: Hertha Berlin 33; Borussia Dortmund 32: VIL Bachum, FC Cologne 30; VIL Wolfsburg 29; 1860 Munich 28; Moenchengladbach, burg SV, Karlsruher SC 26: Armi

TENNIS

TEMPLETON CLASSIC

DOUBLES PANAL
Michael Tebbutt, Australia and Cyril Suk.
Czech R., def. Kent Kinnear, and David
Wheaton, U.S., 4-6, 6-1, 7-6 (8-6).

alle, 6-4, 7-6 (7-3).

DAY IN SCOTTSDALE, ARIZONA FRIAL CSSL U.S., def. Jose

STALLAN FIRST DIVISION 48: Inter Milan 47: Parma 44: Udinese Roma 41: Florentina 39; AC Milan 38: So doria 34: Vicenza 29; Bologna 27; Brescia, Bori 24; Piacenza 24; Empoli 23; Afalanta Bergamo 21; Lecce 13; Napoli 11.

TRANSITIONS RACHIALL

NATIONAL LEAGUE ARIZONA-Announced retirement of LHP

Mark Dovis.

SAN DIEGO—Extended the controct of Keyin Towers, general manager, filtrough 1999.

BASKETBALL

NATIONAL BASKETBALL ASSOCIATION
CHICAGO—ACTIVITIES & STEVE KEY from in-CHICAGO—ACHARDE IS STEVE ACET WAN INjored Bist, Put G Randy Brown on Injured Ist.
MEW JERSEY—Placed C Rany Selkaly and C
Jayson Williams on Injured Ist. Signed F
David Voughn to 10-day contract.
SEATTLE—Put F Stephon Howard on in-

jurned list.
WASHINGTON—Activated G God Shammgod from injured list, Placed G Tim Legler on

FOOTBALL NATIONAL FOOTBALL LEAGUE
ARIZONA—Agreed to terms with RB //Agric
otes on 2-year contract.
ATLANTA—Signed FS Eugene Robinson to

2-year contract.

SUFFALO—Signed RB Sam Gash to 3-year

CAROLINA-Agreed to terms with FB WB mons. Signed GB Jamie Marks.

NEW ORLEAKS—Agreed to terms with WF

Andre Hostings.

N.Y. GIANTS—Agreed to terms with RB Les ST. LOUIS-Signed P Rick Tuten.
SAN DIEGO-Signed G Agron Toylor to 4

SEATTLE—Signed OL Srian Habib,

MOCKEY NATIONAL HOCKEY LEAGUE COLORADO—Assigned RW Christian Matte and C Josef Marka to Hershey, AHL. EDMONTON—Assigned G Mike Minard to

Packer Great rdi Era. Is Deal

· E.



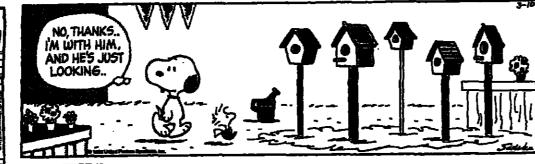
LET'OH GUMBY William Deally Scale MESTY PENTER

William Willy to Sented to the the works —

Trans A RESPER

FRUENDSHIPS Marketary Saturday in Secunities: To advertise contact Section Bramocci and Landon office: 44 1 71 420 0327 your negrest IHT office





GARFIELD



BEETLE BAILEY WHAT'S I'M WRITING A BOOK ON MY SECRET DIET. THE SECRET



I DIDN'T SAY IT HOW COULD I SAID IT WOULD MAKE ME RICH:

Sarcastic

BLONDIE YES, IT'LL BE THE FIRST CASE FOR OUR MOMS!





CALVIN AND HOBBES











WIZARD of ID D







NON SEQUITUR



DOONESBURY







In the Rose Garden

Garden, was served a subpoena when Ken Starr's lawtending his bushes. He might have seen Pres-

ident Clinton and Monica Lewinsky in alone, and therefore, testimony was vital to Start's case.

When served with a sub- Buchwald poena by 10 FBI agents, Thor turned to his friend Vernon Jordan for help. Vernon said in no uncertain terms, "Get a lawyer." Thor found a criminal lawyer at the Rose If you reveal everything you Garden Club of America who

prepare the case, he was subpoenaed by Starr lawyers who wanted to know what Thor had ters is on Line 1, and Diane told him. So Thor's lawyer had Sawyer is calling on Line 2. to hire a lawyer to defend him and Mike Wallace is down-

for defending Thor.

The night before Thor was

"I'm going to get out of

The Royal Web Site Is Packing Them In

LONDON - Buckingham Palace said Monday that its Internet web site scored more than 100 million hits in its first year of existence, many of them after the death of Diana, Princess of Wales. In the week after her death early Aug. 31, the site, www.roval.gov.uk, was visited 35 million times. About 600,000 get-me-nots in her mother's people sent condolences.

WASHINGTON — Thor jury as to what he saw in the Petersen, a gardener in Oval Office, a dozen of Panla the White House Rose Jones's lawyers came to his house to take a deposition.

Thor told them that he had yers discovered he could see never seen Paula Jones and into the Oval Office while Bill Clinton in the Oval Office together. One of Jones's lawyers said, "May I remind you that you are under oath?"

> After the lawyers left, a man climbed into Thor's bedroom window and said, "I'm from the National Enquirer. We will pay you \$500,000 if you tell us what you saw and when you saw it - and another \$500,000 if it's true."

Thor says, "I didn't see anything."
"O.K., this is our last offer. know about what the presagreed to handle his case for ident was doing, we will name \$450 per hour. ident was doing, we will name a rose after you and we will a rose after you and we will call it the 'Starr-Thor.'

The Enquirer man left But before the lawyer could through the window. Thor's wife called up to the second floor. "Thor, Barbara Wal-

here," Thor said.

"You can't. There are 400 reporters on our front lawn and 200 in the back. They said if you try to get away without facing them, they'll shoot

For the first time Thor was frightened. What can I say?"

Thor's wife said, "Tell them you've been hired as the staff gardener for Court TV to do commentary on how Monica Lewinsky cultivated for-

A Motown of the '90s Rises in the New South

By Kevin Sack New York Times Service

A TLANTA — Three fidgety young men from Greenwood, Mississippi, are slouched in brown leather chairs in the sleek reception area at LaFace Records, waiting for their moment to hand a demo tape to one of the company's talent scouts.

A television is tuned to BET, and Boyz II Men, the kings of 1990s rhythm-and-blues, are crooning their hit "Song for Mama" in harmonies as silken as a cashmere sweater. The three men, who style themselves

"Destiny" when they are not unloading trucks for United Parcel Service, stare at the screen, studying their idols. "I hope to be there some day," Marcus

Davis, 21, whispers reverentially. "All we're looking for is a chance. I really feel we're going to be one of the bottest groups to come out in a long time."

Such scenes have been commonplace for years at record companies in New York and Los Angeles. But that they now happen each day in glass office towers and nondescript warehouses around Atlanta bears witness to one of the most curious developments of the decade in the music industry. This city has long been over-

shadowed as a bub for popular music even in its own state, which is better known for the Southern rock recorded by the Allman Brothers in Macon and the pioneering alternative sounds produced by REM and B-52 in Athens. But in the last eight years Atlanta has become such a center for the production of hip-hop and rhythm-and-blues

that it is now widely referred to as the Motown of the '90s. Explored closely, the comparison between 1990s Atlanta and 1960s Detroit does not always hold up. Motown was Detroit's only record label of significance in the 1960s, while Atlanta has several.

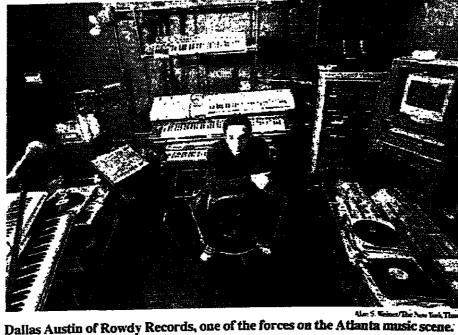
Motown's music was stylistically distinct and earned legions of white fans, while Atlanta's is varied and has yet to develop the same level of crossover appeal.

Detroit's demigods were singers and songwriters like Marvin Gaye and Smokey Robinson, while Atlanta's music, following recent trends, is heavily driven by a band of ambitious young producers and label executives like Antonio (L.A.) Reid of LaFace, Dallas Austin of Rowdy Records, Jermaine Dupri of So So Der Recordings and Rico Wade of the Organized Noize production group.

But in terms of the impact that the two cities have had on

a musical genre, the analogy is apt. Although Atlanta started from a virtual standstill eight years ago, record company executives and music critics now rank ATL, as the rap group Outkast refers to its hometown, on a par with New York and Los Angeles in the production of "black music."

From 1990 through 1997, nearly 70 singles with ties to Atlanta have landed on Billboard's top 10, ranging from the sales in 1996, versus 13.3 percent in 1988. Only country not doesn't know what they're talking about."



soul diva Dionne Farris's innovative 1994 hrt, "TKnow," to Tag Team's 1993 rap novelry, "Whoomp! (There It Is)."
Thirteen have topped the charts. That success has caught

the attention of pop music's biggest names, luring superstars like Madonna, Michael Jackson and Mariah Carey to the doors of Atlanta producers and songwriters. In a relatively short period of time, Atlanta has not only

become a major name on the map, but it shares with New York and Los Angeles the claim and the status of being one of the three major national centers," said Clive Davis, founder and president of Arista Records, which has a successful production and distribution partnership with LaFace. It has bred some major creative producer-entrepreneurs."

These producers may not have synthesized a common sound, but Atlanta's music is nevertheless typically lush, lyrical and romantic. Even its rap songs, in a tendency born of Southern manners, many artists say, mostly shun the confrontational tactics of the gangsta genre.

Timing has been everything for Atlanta. As rap and rhythm-and-blues have accounted for an increasing share of American music purchases, the city's nascent music in-

dustry has grown accordingly.

Since 1988, the year before Reid and his more famous industry in Atlanta by founding LaFace, the combined market share claimed by rap and rhythm-and-blues has grown by 58 percent, according to the Recording Industry Association of America.

PEOPLE

music, with a market share that grew from 7.4 percent in 1988 to a peak of 18.7 percent in 1993 before slipping to 14.7 percent in 1996

has shown stronger growth.

Critical acclaim has followed. A bevy of Atlantans have won Grammys, from Toni Braxton, whose sultry vocals have earned befour awards, to Austin, the mellow 27 year, old mogul who won in 1996 as a producer for T.L.C., the successful gril trio that has its corded seven top 10 singles in five years. Other notable Atlanta-based performers and groups inclinde Keish Sweat, Tony Rich, Re-abo Bryson, Monica, Xscape and Da Brai.
The industry's presence here has cultivated.

Web Leader

Peturn to He

Mikosovo Cracki

katon and Perhan

angeli**on**

Tien.

** ** *****

- X 4

The second

S . 5190

aleme Leader 🕟

A CALLES OF THE PARTY OF THE PA

co brack walks and O List opens & distincte. 12 Poor 25 2 state

a troke and that his

a bumper crop of home grown talent. But the city is also teeming with newcomers like Rich, who moved here from Detroit in 1993. to be close to his label, LaFace, and loi-Gilliam, who came from Nashville in 1992 in work with Austin.

"It's fulfilling to me to say that I was a panof building this scene," said Gilliam, an adventuresome vocalist who records under the name Joi. "But it's getting to be like LA. You meet people and everybody gives you a cand. Everybody wants to get into the business." Many of the migrants have come for the

same reasons that accountants and computer programmers have moved here in droves. Work is plentiful, housing is relatively inexpensive, neighborhoods are lushly forested, the airport serves most any destination and the natives are hospitable.

But for a predominantly black industry, there is another attraction. The city has been controlled by a black political structure for 25 years and has become a mecca for middle- and apper-class blacks. It has some of the best black colleges in the ountry and many radio stations aimed at black audiences.
"It's the first city I've been to where there are so many

successful black people," said Rich, whose first album, "Words," won a Grammy for best rhythm-and-blues album of 1996. "That's important. It definitely puts hope in your eyes. It's like everybody becomes each other's role model." But there have been signs of disharmony. Braxton, who moved to Los Angeles, filed for bankruptcy protection in

annary and has sued LaFace in a contractual dispute. T.L.C. filed for bankruptcy in 1995, and Austin's plans to create a new production group fell apart, delaying the release

of several recordings. Despite the growing pains the Atlanta producers have become the foundation of an industry that has built more than partner. Kenneth (Babyface) Edmonds, jump-started the adozen recording studios, employed hundreds of people and sustained uncountable numbers of lawyers and accountants, bankers. They have made lots and lots of money.

Joel Katz, an entertainment lawyer who represents many of Atlanta's artists and producers, said: "It's a real business. Rap and rhythm-and-blues accounted for 21 percent of all This is the town for this music now, and anyone who says it's



RUDY AS THE BEAST — Mayor Rudolph Giuliani strutting the boards at the Inner Circle Show, an annual being awarded the prestigious Israel Prize. In the singer bursts blood vessels in her throat dinner to raise money for charities in New York City. a 1989 newspaper column, Oz, author of "My when she tries to sing. Doctors have told her to

I released from the Cedars-Sinai Medical Center in Los Angeles 10 days after falling on her 66th birthday. The actress suffered bruises, and hip and back injuries in a fall Feb. 27 at her Bel-Air estate. Doctors subsequently discovered a fracture in her lower back and extended her stay.

Jack Nicholson and Helen Hunt from 'As Good As It Gets' took the top acting prizes in the Screen Actors Guild awards, he cast of the for ensemble acting. Kim Basinger of "L.A. Confidential" shared the supporting actress award, and Robin Williams was named best mines. supporting actor for his role in "Good Will

Monday that he would appeal to the supreme to return to a Broadway career. A business partner of her husband, Blake Edwards, said

THE actress Elizabeth Taylor has been Michael" and "A Perfect Peace," referred to not even attempt to sing for several months to two anti-Mafia judges, Giovanni Falcone and extremists among the settlers as a "Jewish Hezbollah" and a "cruel messianic cult." Zvi Hendel, a legislator from the National Religious Party, asserted that the statements disqualified Oz from being awarded the prize.

Gamblers got their chance Monday to donate to the memorial fund of Diana, Princess of Wales, through a new scratch card game. The game debuted a day before the fund plans to announce which charities will be the while Gloria Stuart won a trophy for her role first to benefit from the £10 million (\$16.5 in "Titanic." The cast of the English comedy million) it is ready to dispense. Meanwhile, 'The Full Monty' collected a surprise award money garnered through sales of a mosaic portrait of the princess will help treat some of the thousands of Cambodians crippled by land

Julie Andrews has had surgery to remove noncancerous nodules from her throat, and a A leader of Jewish settlers in Israel said friend said the operation may leave her unable

avoid risking further damage.

A leading Maori entertainer is going to New York's Museum of National History in a bid to recover 35 Maori heads it holds. Dalvanius Prime plans to offer the museum a statue in return for the tattooed heads.

Chazz Palminteri and F. Murray Abraham are taking the starring roles in a film about

Monty Python Will Fly Again

LONDON — "Monty Python's Flying Circus," the anarchic TV comedy show that spawned the Ministry of Silly Walks and other crazed sketches, is reuniting for a 30th anniversary bash. John Cleese Terry Jones, Eric Idle, Michael Palin and Terry Gilliam plan a brief stage run in London and New York in 1999. The sixth

Python, Graham Chapman, died in 1989.

Paolo Borsellino, who were assassinated by the mob in Sicily in 1992. The HBO film is to be entitled "Excellent Cadavers."

Elton John has lashed out at caricatures of his hit tribute song to Diana, "Candle in the Wind," saying he may not sing it again. The singer said he was "saddened" at the way the title had been ridiculed.

Despite her fame and wealth, Jane Fonda she still struggles with poor self-esteem. 'I still have a ways to go before I can feel happy with myself," she told a conference of 165 teenage girls. She sprinkled her talk with anecdotes about eating disorders, her unhappy teenage years and how meeting her husband media mogul Ted Turner, changed her life.

Mr. Roarke won't be returning to "Fantasy Island." Ricardo Montalban, who starred on the TV show that ran from 1978-84, says ABC has not called him about its remake. "Maybe" they feel I don't fit into their plans," he said.





To reach the other side of the world the easy way, use AT&T DIRECTSM SERVICE.

Simply dial the access number for the country you're in and you'll be

connected to English-speaking operators and get AT&T's quick, clear connections.

Plus, you can use your AT&T Calling Card or any of these major credit cards.

Now, what could be easier than that?



Steps to follow for easy calling worldwide:

1. just dial the AT&T Access Number for the country you are calling from 2. Dial the phone number you're calling 3. Dial your card number

ATAT ACCESS NUMBERS				
Austria • 0	Greace●	Saudi Arabia \$		
France0-800-99-001 Germany0130-0010	Netherlands •0800-022-91 [] Russia • 4 (Moscow) J755-5042	United Kingdom 40500-89-0 United Kingdom 40800-89-0		

For access numbers not listed above ask any operator for AT&T Direct** Service, or visit our Web site at